File No.	101421	Committee Item No	•
		Board Item No	33

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:		Date	
Board of Su	ate December 7, 2010		
Cmte Boa	rd		
	Motion Resolution Ordinance Legislative Digest Budget Analyst Report Legislative Analyst Report Youth Commission Report Introduction Form (for hearings) Department/Agency Cover Letter and/or MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence		
OTHER	(Use back side if additional space is ne	eded)	
✓ See In	ndex of Documents (See File 101409 for a	complete documents,	
Completed by: Alisa Somera Date December 2, 2010 Completed by: Date			

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document can be found in the file.

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Program - 85 Natoma Street No. 5]

Resolution authorizing the acquisition of real property commonly known as 85 Natoma Street No. 5, San Francisco, California (Assessor's Block No. 3721, Lot No. 113) by eminent domain for the public purpose of constructing the Transbay Transit Center Program; adopting environmental findings under the California Environmental Quality

[Authorizing the Acquisition of Real Property by Eminent Domain for Transbay Transit Center

findings of consistency with the General Plan and City Planning Code Section 101.1.

Act (CEQA), CEQA Guidelines, and Administrative Code Chapter 31; and adopting

WHEREAS, The Transbay Transit Center Program (the Project) consists of, among other things, a new Transit Center at the current site of the Transbay Terminal in the City and County of San Francisco (the City); a temporary terminal on the block bounded by Main, Beale, Folsom, and Howard Streets; reconstructed bus ramps from the Transit Center to the San Francisco-Oakland Bay Bridge; an offsite bus storage/layover area under Interstate 80 on the two blocks bounded by Perry, Stillman, 2nd, and 4th Streets; a Caltrain station near 4th and Townsend Street; and the Transbay Redevelopment Plan; and

WHEREAS, The Project's primary objectives include connecting multiple modes of transit; extending Caltrain and High Speed Rail into the new downtown Transit Center; increasing transit use and reducing travel time; and creating a new transit-oriented neighborhood around the Transit Center; and

WHEREAS, The Project will provide a critical transportation improvement, including a modern regional transit hub connecting eight Bay Area counties and the State of California through eleven transit systems; and

Supervisor Daly BOARD OF SUPERVISORS

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WHEREAS, California Government Code Sections 25350.5 and 37350.5 authorize the City's Board of Supervisors (this Board) to acquire any property necessary to carry out any of the powers or functions of the City by eminent domain; and

WHEREAS, The real property commonly known as 85 Natoma Street No. 5, San Francisco, California (Assessor's Block 3721, Lot 113) (the Subject Property), which is more particularly described in Exhibit A and shown in Exhibit B, is required for the construction of the Project; and

WHEREAS, On April 22, 2004, the City's Planning Commission (the Commission) certified in Motion No. 16773 that the Final Environmental Impact Statement/Environmental Impact Report and Section 4(f) Evaluation (Final EIS/EIR) for the Project was in compliance with CEQA, the CEQA Guidelines, and Chapter 31 of the City Administrative Code. The Final EIS/EIR and Motion No. 16773 are on file with the Clerk of the Board of Supervisors in File No. 040616 and are incorporated by reference; and

WHEREAS, On April 22, 2004, in Resolution No. 2004-11, the Peninsula Corridor Joint Powers Board also certified the Final EIS/EIR and made findings similar to those of the Commission with regard to CEQA and the CEQA guidelines. Resolution No. 2004-11 is on file with the Clerk of the Board of Supervisors in File No. 040616 and is incorporated by reference; and

WHEREAS, On April 20, 2004, in Resolution No. 45-2004, the San Francisco Redevelopment Agency also certified the Final EIS/EIR and made findings similar to those of the Commission with regard to CEQA and the CEQA guidelines. Resolution No. 45-2004 is on file with the Clerk of the Board of Supervisors in File No. 040616 and is incorporated by reference; and

WHEREAS, On April 22, 2004, the Board of Directors of the Transbay Joint Powers Authority (TJPA), by Resolution No. 04-004, approved the components of the Project within its jurisdiction and adopted CEQA Findings, including a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program. Resolution No. 04-004 is on file with the Clerk of the Board of Supervisors in File No. 041079 and is incorporated by reference; and

WHEREAS, On June 15, 2004, this Board adopted Motion No. 04-67, in Board File No. 040629, affirming the Commission's decision to certify the Final EIS/EIR. Motion No. 04-67 is on file with the Clerk of the Board of Supervisors in File No. 040629 and is incorporated by reference; and

WHEREAS, The Board of Supervisors in Resolution No. 612-04, adopted environmental findings in relation to the Transbay Terminal, Caltrain Downtown Extension, and Transbay Redevelopment Plan. Copies of said Resolution and supporting materials are in Clerk of the Board of Supervisors File No. 41079. The Board of Supervisors, in Ordinance No. 124-05 as part of its adoption of the Transbay Redevelopment Plan, adopted additional environmental findings. Copies of said Ordinance and supporting materials are in Clerk of the Board of Supervisors File No. 50184. Said Resolution and Ordinance and supporting materials are incorporated by reference herein for the purposes of this Resolution; and

WHEREAS, The Board of Supervisors in Resolution No. 612-04, adopted environmental findings in relation to the Transbay Terminal, Caltrain Downtown Extension, and Transbay Redevelopment Plan. Copies of said Resolution and supporting materials are in Clerk of the Board of Supervisors File No. 41079. The Board of Supervisors, in Ordinance No. 124-05 as part of its adoption of the Transbay Redevelopment Plan, adopted additional environmental findings. Copies of said Ordinance and supporting materials are in Clerk of the Board of Supervisors File No. 50184. Said Resolution and Ordinance and supporting materials are incorporated by reference herein for the purposes of this Resolution; and

Supervisor Daly
BOARD OF SUPERVISORS

WHEREAS, The Board of Directors of the TJPA have approved addenda to the Final EIS/EIR as follows: Addendum No. 1 (Resolution No. 06-011) (June 2, 2006); Addendum No. 2 (Resolution No. 07-013) (April 19, 2007); Addendum No. 3 (Resolution No. 08-003) (January 17, 2008); Addendum No. 4 (Resolution No. 08-039) (October 17, 2008); and Addendum No. 5 (Resolution No. 09-019) (April 9, 2009) (collectively, Addenda). The Addenda and adopting resolutions are on file with the Clerk of the Board of Supervisors in File No. 101409 and are incorporated by reference; and

WHEREAS, The Final EIS/EIR files and other Project-related Planning Department files are available for review by this Board and the public. The Planning Department files are available at 1660 Mission Street. Those files are part of the record before this Board and are incorporated by reference; and

WHEREAS, The City's Planning Department has found that the acquisition of the Subject Property for the Project is consistent with the General Plan and the Eight Priority Policies of the City Planning Code Section 101.1 to the extent applicable; and

WHEREAS, The City and TJPA staff obtained appraisals of the Subject Property in compliance with California Government Code Section 7267 et seq. and all related statutory procedures for possible acquisition of the Subject Property, and submitted a joint offer to the Subject Property owner of record to purchase the Subject Property as required by California Government Code Section 7267.2; and

WHEREAS, On October 14, 2010, the TJPA's Board of Directors adopted Resolution No. 10-045, in which it found that (a) the public interest and necessity require the Project; (b) the Project is planned to maximize the public good and minimize private injury; (c) the Subject Property is necessary for the Project; (d) the City and the TJPA have made a sufficient offer of purchase and complied with all procedural prerequisites to the exercise of eminent domain; and (e) acquisition of the Subject Property for the Project will fulfill the mandates of various

State and City laws, including San Francisco Proposition H-Downtown Caltrain Station (November 1999), San Francisco Proposition K-San Francisco Transportation Sales Tax (November 2003), California Public Resources Code Section 5027.1(a), and California Streets and Highways Code Sections 2704.04(b) and 30914(c), all of which concern reconstruction of the new Transit Center on the site of the existing Transbay Terminal and the new Transit Center's accommodation of a Caltrain extension and high speed passenger rail line; and

WHEREAS, In adopting Resolution No. 10-045, the TJPA Board of Directors recommended that this Board adopt a Resolution of Necessity to condemn the Subject Property and initiate eminent domain proceedings to acquire the Subject Property for the Project; and

WHEREAS, In adopting Resolution No. 10-045, the TJPA Board of Directors also found that in the event that the City elects to adopt a Resolution of Necessity and initiate eminent domain proceedings to acquire the Subject Property, the TJPA will bear the costs of litigating any eminent domain action, and will provide all compensation ordered by the court for the condemned Subject Property; and

WHEREAS, This Board finds and determines that each person whose name and address appears on the last equalized County Assessment Roll as an owner of the Subject Property has been given notice and a reasonable opportunity to appear and be heard on this date on the matter referred to in California Code of Civil Procedure Section 1240.030 in accordance with California Code of Civil Procedure Section 1245.235; now, therefore, be it

RESOLVED, That this Board, having reviewed and considered the Final EIS/EIR and Addenda, and the record as a whole, finds that the action taken herein is within the scope of the Project and activities evaluated in the Final EIS/EIR and Addenda, that the Final EIS/EIR and Addenda are adequate for use by this Board for the action taken herein, and adopt the Addenda for purposes of the action taken herein; and, be it

FURTHER RESOLVED, That this Board finds that since the Final EIS/EIR and Addenda were finalized, there have been no substantial Project changes and no substantial changes in Project circumstances that would require major revisions to the Final EIS/EIR and Addenda due to new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIS/EIR and Addenda; and, be it

FURTHER RESOLVED, That this Board hereby adopts as its own and incorporates by reference herein, as though fully set forth, the findings of the Planning Department that the acquisition of the Subject Property is consistent with the General Plan and the Eight Priority Policies of City Planning Code Section 101.1; and, be it

FURTHER RESOLVED, That by at least a two-thirds vote of this Board under California Code of Civil Procedure Sections 1240.030 and 1245.230, this Board finds and determines each of the following:

- 1. The public interest and necessity require the Project;
- 2. The Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
 - 3. The Subject Property is necessary for the Project;
- 4. The offer required by California Government Code Section 7267.2 has been made to the owner of record of the Subject Property; and, be it

FURTHER RESOLVED, That the City Attorney is hereby authorized and directed to take all steps necessary to commence and prosecute proceedings in eminent domain against the owner of record of the Subject Property and the owner or owners of any and all interests therein or claims thereto for the condemnation thereof for the Project, to the extent such proceedings are necessary, and is authorized and directed to take any and all actions or

comply with any and all legal procedures to obtain an order for immediate or permanent possession of the Subject Property, as described in Exhibit A and shown in Exhibit B, in conformity with existing or amended law; and, be it

FURTHER RESOLVED, That this Board adopts as its own and incorporates by reference herein, as though fully set forth, each of the findings made by the TJPA in adopting Resolution No. 10-045 on October 14, 2010.

RECOMMENDED:

REAL ESTATE DIVISION, GENERAL SERVICES AGENCY

By:

Amy Brown

Director of Real Estate

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

Rv

Kristen A. Jensen

Deputy City Attorney

Supervisor Daly

BOARD OF SUPERVISORS

EXHIBIT A LEGAL DESCRIPTION

CITY SAN FRANCISCO

PARCEL I:

CONDOMINIUM UNIT NO. 5, LOT NO. 113, AS SHOWN UPON THE CONDOMINIUM MAP AND DIAGRAMMATIC FLOOR PLAN ENTITLED, "MAP OF 85 NATOMA STREET, A LIVE/WORK CONDOMINIUM PROJECT, BEING A SUBDIVISION OF LOT 90 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED JUNE 24, 1998 IN BOOK 43 OF PARCEL MAPS AT PAGE 181, BEING A PORTION OF ASSESSOR'S BLOCK 3721, SAN FRANCISCO, CALIFORNIA", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, ON DECEMBER 18TH, 2000, IN BOOK 66 OF CONDOMINIUM MAPS, AT PAGES 18 TO 22, INCLUSIVE, (REFERRED TO HEREIN AS "THE MAP") AND AS FURTHER DEFINED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED ON APRIL 9TH, 2001, IN BOOK H862, PAGE 70 OF OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA (REFERRED TO HEREIN AS "THE DECLARATION".)

EXCEPTING THEREFROM ANY PORTION OF THE COMMON AREA LYING WITHIN SAID UNIT.

EXCEPTING THEREFROM:

- (A) EASEMENTS THROUGH SAID UNIT, APPURTENANT TO THE COMMON AREA AND ALL OTHER UNITS, FOR SUPPORT AND REPAIR OF THE COMMON AREA AND ALL OTHER UNITS.
- (B) EASEMENTS, APPURTENANT TO THE COMMON AREA, FOR ENCROACHMENT UPON THE AIR SPACE OF THE UNIT BY THOSE PORTIONS OF THE COMMON AREA LOCATED WITHIN THE UNIT.

PARCEL II:

AN UNDIVIDED 12.62% INTEREST IN AND TO THE COMMON AREA AS SHOWN AND DEFINED ON THE MAP, EXCEPTING THEREFROM THE FOLLOWING:

- (A) EXCLUSIVE EASEMENTS, OTHER THAN PARCEL III, AS DESIGNATED ON THE MAP AND RESERVED TO UNITS FOR USE AS DESIGNATED IN THE DECLARATION; AND
- (B) NON-EXCLUSIVE EASEMENTS, APPURTENANT TO ALL UNITS, FOR INGRESS AND EGRESS, SUPPORT, REPAIR AND MAINTENANCE.

PARCEL III:

- (A) THE EXCLUSIVE EASEMENT TO USE DECK AREA DESIGNATED D-5 ON THE MAP:
- (B) THE EXCLUSIVE EASEMENT TO USE PARKING AREA DESIGNATED P-6 ON THE MAP.

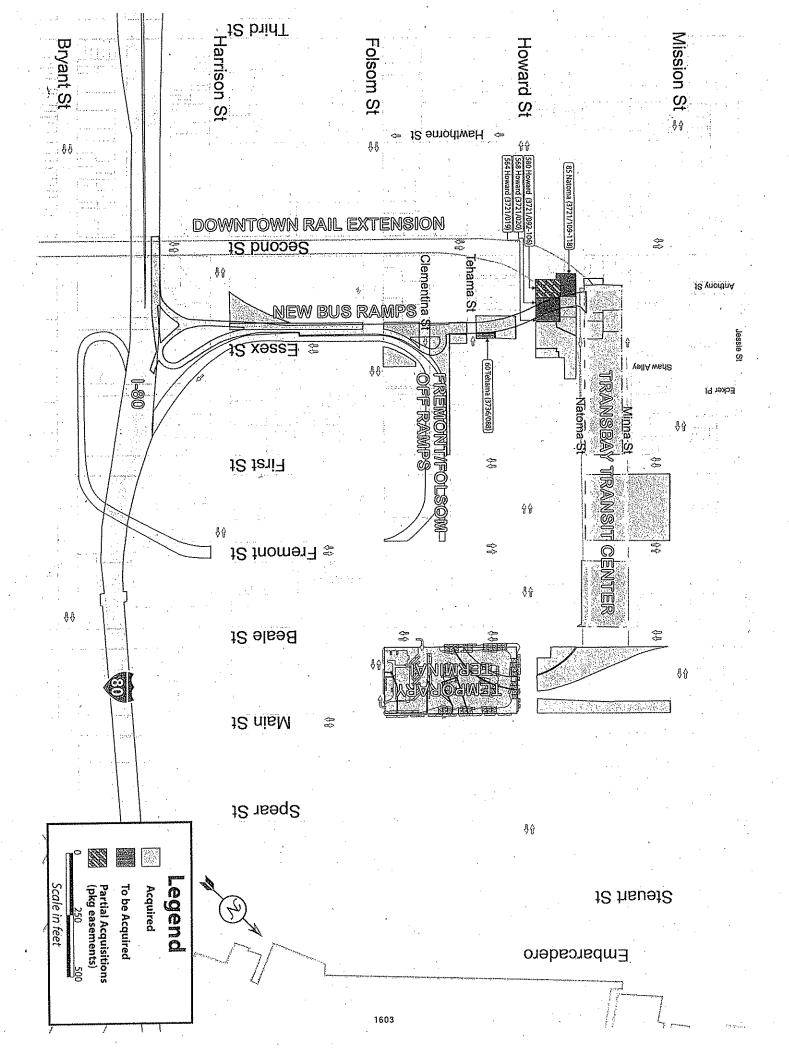
PARCEL IV:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO PARCEL I, ABOVE, FOR SUPPORT, REPAIR AND MAINTENANCE, AND FOR INGRESS AND EGRESS THROUGH THE COMMON AREA.

PARCEL V: ENCROACHMENT EASEMENTS, APPURTENANT TO THE UNIT, IN ACCORDANCE WITH THE PROVISIONS OF THE DECLARATION.

LOT 113, BLOCK 3721 (85 Natoma #5)

EXHIBIT B MAP



Date	Document
	Procedural
10/14/10	TJPA Board of Directors Resolution No. 10-045
11/23/10	Letter from TJPA to San Francisco Board of Supervisors re: 85 Natoma #5
	Assessor's Master Sheet – 85 Natoma #5 (FY 2009-2010)
	TJPA Notices of Public Hearing to Acquire Various Real Properties by Eminent Domain for Transbay Transit Center Program – 85 Natoma #5
11/20/10	San Francisco Planning Department General Plan Consistency Determination – 85 Natoma #5
	Offer Letter
9/15/09	Offer to purchase 85 Natoma #5—City and TJPA to Terri L. Brown Enclosure 1: Appraisal Enclosure 2: Relocation Assistance Brochure
	Enclosure 3: Eminent Domain Brochure Enclosure 4: Agreement for Purchase and Sale of Réal Estate
	Property Description
4/16/07	Preliminary Title Report
	Legal Description and Map
·	Map of 85 Natoma in relationship to Transbay Project
	Map of 85 Natoma in relationship to Transbay Project – aerial photo of train box
	Map of 85 Natoma in relationship to Transbay Project – overhead drawing of west end of train box
	Correspondence
09/19/06	Letter from William Turner to Shute, Mihaly & Weinberger LLP (SMW)
11/14/06	Letter from SMW to William Turner
dated 01/12/07; sent 01/14/07	Letter from Terri Brown to SMW
02/08/07	Letter from SMW to Terri Brown
04/10/07	Letter from SMW to Terri Brown
04/24/07	Letter from SMW to Terri Brown
05/14/07	Letter from SMW to Terri Brown
05/24/07	Facsimile from SMW to Terri Brown
08/08/07	Letter from SMW to Terri Brown
02/27/08	Letter from SMW to Terri Brown

Date	Document	
02/09/09	Letter from SMW to Terri Brown	
02/19/09	Letter from SMW to Terri Brown	
02/23/09	Letter from SMW to Terri Brown	
03/04/09	Letter from SMW to Terri Brown	
03/13/09	Letter from SMW to Terri Brown	
03/13/09	Letter from SMW to Terri Brown	
03/27/09	Letter from SMW to Terri Brown	
04/09/09	Letter from SMW to Terri Brown	
04/17/09	Letter from SMW to Terri Brown	
06/09/09	Letter from SMW to Terri Brown	
07/17/09	Letter from SMW to Terri Brown	
08/24/09	Letter from TJPA to Terri Brown (enclosures omitted)	
10/23/09	Letter from SMW to Terri Brown	
11/24/09	Letter from SMW to Terri Brown	
11/30/09	Letter from SMW to Terri Brown	
12/10/09	Letter from SMW to Terri Brown	
01/14/10	Letter from SMW to Terri Brown	
04/22/10	Letter from SMW to Terri Brown	
	Studies and Reports	
	Caltrans Highway Design Manual (excerpts)	
	Cambridge Systematics – Caltrain Downtown Extension and Transbay Ridership Analysis	
09/2007	TJPA Final Relocation Impact Study I	
01/2010	TJPA Final Relocation Impact Study II	
	TJPA Relocation Assistance Brochure - Business	
	TJPA Relocation Assistance Brochure - Residential	
	NEPA/CEQA	
04/2004	Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project: Final Environmental Impact Statement/Environmental Impact	
	Report and Section 4(f) Evaluation (Final EIS/EIR) Volume I: Chapters 1-8; Appendices A-G	
	Volume II: Responses to Public Comments on the Draft EIS/EIR Volume III: Written Public Comments and Public Hearing Transcripts on the Draft EIS/EIR	
04/22/04	TJPA Resolution No. 04-004	

	Document	
Date	Federal Transit Administration: Record of Decision	
02/08/05	Appendix A: Mitigation Monitoring and Reporting Program	
	Appendix B: Memorandum of Agreement between the FTA and the	
	California State Historic Preservation Officer	
05/25/06	Final EIS/EIR - First Addendum	
04/19/07	Final EIS/EIR - Second Addendum	
1/17/08	Final EIS/EIR - Third Addendum	
10/03/05	Final EIS/EIR - Fourth Addendum	
04/09/09	Final EIS/EIR - Fifth Addendum	
05/2010	Federal Railroad Administration: Reevaluation Updating the Transbay Program 2004 Final EIS (exhibits omitted except where noted) Exhibit 6(a): Federal Transit Authority internal memo re: Environmental Clearance for advance construction on "train box" portion of Transbay Transit Center Exhibit 6(b): Federal Railroad Administration letter to TJPA re: California allocation of High Speed Rail grants Exhibit 9(a): California High-Speed Rail Authority: Report to the Legislature Exhibit 9(b): California High-Speed Rail Authority Briefing April 2010 Meeting Agenda Item #7 re: Transbay Transit Center Design/Trainbox Federal Railroad Administration: Record of Decision Appendix A: Mitigation Monitoring and Reporting Program Appendix B: Memorandum of Agreement Between the FTA and the	
	California State Historic Preservation Officer	
	Transbay Legislation	
	Cal. Public Resources Code Section 5027.1	
	Cal. Streets & Highway Code Section 2704.04	
	Cal. Streets & Highway Code Section 30914	
04/04/01	TJPA Joint Powers Agreement	
11/02/99	San Francisco Proposition H	
11/02/03	San Francisco Proposition K	
03/02/04	San Francisco Regional Measure 2	
11/04/08	California Proposition A	
09/19/02	Senate Bill 1856 (Costa)	
07/22/03	Assembly Bill 812 (Yee)	
10/08/03	Senate Bill 916 (Perata)	
12/19/01	Metropolitan Transportation Commission Resolution No. 3434	
01/02/01	San Francisco Board of Supervisor Resolution No. 13-01	

Date -	Document
02/12/01	San Francisco Board of Supervisor Resolution No. 104-01
06/04/01	San Francisco Board of Supervisor Resolution No. 455-01
10/15/01	San Francisco Board of Supervisor Resolution No. 804-01
07/08/03	San Francisco Board of Supervisor Resolution No. 441-03
06/15/04	San Francisco Board of Supervisor Resolution No. 04-067
09/28/04	San Francisco Board of Supervisor Resolution No. 612-04
06/21/05	San Francisco Board of Supervisor Resolution No. 124-05
06/21/05	San Francisco Board of Supervisor Resolution No. 125-05
02/07/06	San Francisco Board of Supervisor Resolution No. 78-06
05/09/06	San Francisco Board of Supervisor Resolution No. 94-06
05/09/06	San Francisco Board of Supervisor Resolution No. 95-06
05/09/06	San Francisco Board of Supervisor Resolution No. 99-06
	Litigation
	Brown v. Transbay Joint Powers Authority, et al.
	(San Francisco Superior Ct. No. CGC-89-490878)
07/28/09	Brown - Complaint for inverse condemnation
09/11/09	TJPA - Demurrer
09/28/09	Brown – Opposition to demurrer
10/05/09	TJPA – Reply to opposition to demurrer
10/19/09	Brown - Dismissal

PROCEDURAL

TRANSBAY JOINT POWERS AUTHORITY BOARD OF DIRECTORS

Resolution No. 10-045

WHEREAS, The TJPA has determined that 60 Tehama Street, 564 Howard Street, 568 Howard Street, 8 condominium units in 85 Natoma Street, and easement interests held by the owner of 580 Howard in certain parking spaces and access in and through 85 Natoma in San Francisco (the "Properties") are required for the Transbay Transit Center Program; and

WHEREAS, The TJPA and the City and County of San Francisco ("City") made joint offers to the owners of the Properties to purchase each Property for its fair market value, in compliance with federal and state law, including California Government Code section 7267.2, as follows:

Property	Owner	Date of Offer	Amount of Offer
60 Tehama	Peter F. Byrne Revocable Trust	September 15, 2009	\$1,000,000
564 Howard	564 Howard Street, LLC	September 15, 2009	\$1,450,000
568 Howard	InvesMaster	September 15, 2009	\$6,200,000
85 Natoma #1	Patrick McNerney	August 2, 2010	\$1,230,000
85 Natoma #2	Steel Arc Properties, LLC	August 2, 2010	\$1,100,000
85 Natoma #3	Abbas A. Razaghi and the 2005	August 2, 2010	\$740,000
	Heydayian/Nouri Family Trust		
85 Natoma #4	Alyce Stanwood	August 2, 2010	\$780,000
85 Natoma #5	Terri Brown	September 15, 2009	\$1,250,000
85 Natoma #7	Abbas A. Razaghi and the 2005 Heydayian/Nouri Family Trust	August 2, 2010	\$765,000
85 Natoma #9	Wendy Roess-DeCenzo and Christopher John DeCenzo	August 2, 2010	\$2,850,000
85 Natoma #C1	Martin Properties, LLC	August 2, 2010 .	\$150,000
580 Howard easement interest	580 Howard Historic Properties, LLC	August 2, 2010	9 indoor spaces at \$75,000 each
in parking in and across 85 Natoma			4 outdoor spaces at \$65,000 each

WHEREAS, The TJPA determined the fair market value for the Properties based on two independent appraisals of each Property and a review by a third-party appraiser; the TJPA obtained the Federal Transit Administration's (FTA) concurrence with the fair market value conclusion for each Property; and

WHEREAS, The Property owners have not accepted the TJPA's offers to purchase their respective Properties and the TJPA does not expect to reach a negotiated agreement for the purchase of these Properties; and

WHEREAS, The TJPA needs possession of the Properties in early 2011 to proceed with construction of the Transbay Program in a timely manner; and

WHEREAS, Acquisition of the Properties by eminent domain is authorized by law and falls within the scope of the City's authority to exercise eminent domain on the TJPA's behalf. The public interest and necessity require the Transbay Program, the project for which the Properties are to be taken. The Transbay Program is planned to maximize the public good and minimize private injury. The Properties are necessary for the Transbay Program. The City and the TJPA have made sufficient offers of purchase, and complied with all procedural prerequisites to the exercise of eminent domain; and

WHEREAS, The Final Environmental Impact Statement/Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project (SCH. No. 95063004) (the "Final EIS/EIR"), certified in accordance with the provisions of the California Environmental Quality Act (Cal. Public Resources Code sections 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regulations Title 14, sections 15000 et seq.) and as subsequently amended, identifies the Properties as required for the Transbay Transit Center Program; and

WHEREAS, The acquisition of the Properties for the Transbay Program will fulfill the mandates of various State and City laws, including San Francisco Proposition H-Downtown Caltrain Station (November 1999), San Francisco Proposition K-San Francisco Transportation Sales Tax (November 2002), California Public Resources Code Section 5027.1 (a), and California Streets and Highways Code Sections 2704.04 (b) and 30914 (c), all of which concern reconstruction of the new Transit Center on the site of the existing Transbay Terminal and the new Transit Center's accommodation of a Caltrain extension and high speed passenger rail line; now, therefore, be it

RESOLVED, That the TJPA recommends that the City Board of Supervisors adopt Resolutions of Necessity for the City to condemn on behalf of the TJPA the following properties, and initiate eminent domain proceedings to acquire the following properties for the Transbay Transit Center Program:

- 60 Tehama Street (Block 3736, Lot 88)
- 564 Howard Street (Block 3721, Lot 19)
- 568 Howard Street (Block 3721, Lot 20)
- 85 Natoma Street #1 (Block 3721, Lot 109)
- 85 Natoma Street #2 (Block 3721, Lot 110)
- 85 Natoma Street #3 (Block 3721, Lot 111)
- 85 Natoma Street #4 (Block 3721, Lot 112)
- 85 Natoma Street #5 (Block 3721, Lot 113)
- 85 Natoma Street #7 (Block 3721, Lot 115)
- 85 Natoma Street #9 (Block 3721, Lot 117)
- 85 Natoma Street #C1 (Block 3721, Lot 118)
- 9 easement interests in indoor parking spaces in and across the 85 Natoma garage
- 4 easement interests in outdoor parking spaces accessed across the 85 Natoma garage; and be it

FURTHER RESOLVED, In the event that the City elects to adopt the Resolutions of Necessity and initiate eminent domain proceedings to acquire the properties, the TJPA will bear the cost of litigating any eminent domain action, including compensation ordered by the court for the condemned property.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of October 14, 2010.

Secretary, Transbay Joint Powers Authority



November 23, 2010

Board of Supervisors City and County of San Francisco Room 244, City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Board File Nos. 101420 and 101421

Re:

Urging the Board of Supervisors to Pass a Resolution of Necessity
Authorizing the Acquisition of 85 Natoma Street #5, Assessor's Block
3721, Lot 113, by Eminent Domain for the Transbay Transit Center
Program

Dear President Chiu and Honorable Members of the Board of Supervisors:

As you are aware, the Transbay Transit Center Program (Project) is a national model for transit-oriented development. The Project will combine transportation, housing, and other urban amenities to create a livable, revitalized neighborhood in downtown San Francisco. It will connect eleven transit systems under one roof, including future high-speed rail from Southern California; reduce traffic congestion; and lower carbon emissions. The Project also is a catalyst for economic expansion; it will create more than 125,000 direct, indirect, and induced jobs over the life of the Project, and the Transit Center will serve more than 100,000 transit riders each week day.

The City and County of San Francisco (City), Alameda-Contra Costa Transit Authority (AC Transit), the Peninsula Corridor Joint Powers Board (Caltrain), and the State of California Department of Transportation (Caltrans) (ex-officio) are the members of the Transbay Joint Powers Authority (TJPA). The TJPA is charged with the finance, design, development, construction, and operation of the Project, which has enjoyed the strong and continued support of the City and your Board. The TJPA recently received \$400 million in high-speed rail funds from the American Recovery and Reinvestment Act of 2009. This Project is one of the first high-speed rail projects to break ground in the nation.

The Project has three basic parts: a new multi-modal Transbay Transit Center on the site of the existing Transbay Terminal at First and Mission Streets, a tunnel extending Caltrain and California High-Speed Rail from the current railway terminus at Fourth and King Streets to the new Transit Center (DTX), and a Redevelopment Plan that will result in transit oriented development of the area around the Transit Center, including 2,600 new homes, 35 percent of which will be affordable.

With the City's cooperation, the TJPA has successfully acquired thirteen properties for the Project through voluntary purchase-sale agreements with private property owners over the past five years. The TJPA also acquired one property, 80 Natoma, through a negotiated agreement following the filing of an eminent domain action by the City.

As described in the March 2004 Transbay Terminal/Caltrain Downtown Extension/
Redevelopment Project Final Environmental Impact Statement/Environmental Impact Report
(EIS/EIR) and subsequent addenda, the TJPA needs to acquire the property located at 85 Natoma
Street #5, Assessor's Block 3721, Lot 113 (the Property) for the Project. A copy of the Final
EIS/EIR and addenda are on file with the Clerk of the Board of Supervisors in File Nos. 101420
and 101421, as are maps showing the relationship of the Property to the Project.

The TJPA has adopted a Relocation Assistance Program and has explained to owners and occupants of the Property that this program will assist them with relocation to replacement locations. Copies of information regarding the Relocation Assistance Program are on file with the Clerk of the Board of Supervisors in File Nos. 101420 and 101421.

As described in detail below, the City and the TJPA have made a joint offer to purchase the Property for its fair market value. The TJPA has made extensive efforts to reach a negotiated resolution with the property owner. The owner has not accepted the TJPA's offer and the TJPA does not expect to reach a negotiated agreement for the purchase of this Property at this time. Copies of the offers to purchase are on file with the Clerk of the Board of Supervisors in File Nos. 101420 and 101421.

The TJPA needs possession of the Property in early 2011 to proceed with scheduled construction of the Project. Acquisition of the Property by eminent domain is authorized by law and falls within the scope of the City's authority to exercise eminent domain on the TJPA's behalf. The City and the TJPA have complied with all procedural prerequisites to the exercise of eminent domain. Accordingly, on October 14, 2010, the TJPA Board of Directors adopted Resolution No. 10-045, urging the San Francisco Board of Supervisors to pass a Resolution of Necessity and to authorize the use of eminent domain to acquire the Property for the Project. A copy of the TJPA resolution is on file with the Clerk of the Board of Supervisors in File Nos. 101420 and 101421.

As described in the TJPA's Resolution, in the event that the City elects to adopt a Resolution of Necessity and initiate eminent domain proceedings to acquire the Property, the TJPA will bear all legal fees and costs of litigating any eminent domain action, and will be responsible for all compensation ordered by the court for the condemned Property.

Use of Eminent Domain

The California Constitution requires a public agency taking private property for public use to pay just compensation to the property owner. Prior to exercising eminent domain, however, federal and state law require that the agency make reasonable efforts to negotiate a voluntary acquisition of the property. The agency must offer to purchase the property for its fair market value, as determined by an independent appraisal.

If the property owner declines the agency's offer to purchase, then the agency may initiate eminent domain proceedings by adopting a Resolution of Necessity for the property that includes:

- a statement of the public use for which the property is to be taken;
- a reference to the statute that authorizes it to acquire the property by eminent domain;
- a description of the property; and
- findings that:
 - the public interest and necessity require the project for which the property is to be taken,
 - the project is planned to maximize public good and minimize private injury,
 - the property is necessary for the project, and
 - the public entity has made an offer to purchase the property for its fair market value as determined by an appraisal.

After adopting the Resolution of Necessity, the agency may file a complaint in eminent domain in the superior court of the county where the property is located. If the agency deposits with the court the probable amount of compensation for the property, which is its fair market value, then the court may award the agency possession of the property within 120 days to allow the agency to start construction of the project on the property. A judge resolves any legal challenges to the agency's right to use eminent domain, and either a judge or a jury decides the question of "just compensation" based on evidence presented by both sides. The agency pays the just compensation amount, and the court awards the agency title to the property.

The Resolution of Necessity

As described above, the City must make certain findings regarding the Project and the necessity of the Property for the Project. The Property is critical to the development of the Project and its acquisition falls within the scope of the City's authority to exercise eminent domain. The City and the TJPA have complied with all procedural prerequisites to the exercise of eminent domain. Thus, the City can make the requisite findings as follows.

Finding #1: The public interest and necessity require the project for which the property is to be taken.

The Project will be a national model for transit-oriented development, combining public transit, housing, and other urban amenities to create a livable, revitalized neighborhood in downtown San Francisco. In particular, the Transit Center will connect eleven transit systems under one roof, including future high-speed rail from Southern California, thereby reducing traffic

congestion and lowering emissions of carbon dioxide and other pollutants. The Project also will serve as a catalyst for economic expansion as it will create more than 125,000 direct, indirect, and induced jobs over the life of the Project; build 2,600 new homes; and serve more than 100,000 transit riders each week day.

The new Transit Center will be built on the current site of the Transbay Terminal in downtown San Francisco. The current Transbay Terminal was constructed in 1939 to facilitate rail travel across the San Francisco-Oakland Bay Bridge. Following World War II, the lower deck of the Bay Bridge was converted to automobile traffic and the Transbay Terminal became a bus only facility. As part of the Program, and because it was not seismically sound and could not meet current or future transportation needs of the region or the State, the bus terminal is currently under demolition. The new Transit Center will be a one million square foot regional transportation hub. The new bus ramp will provide safe and efficient access between the Transit Center, the Bay Bridge, and a new offsite bus storage facility. The Transit Center will feature a 5.4-acre public park on its roof and will include ground floor retail on Natoma and Minna streets, public art, and a public plaza/park for the benefit of the surrounding neighborhood.

The DTX will bring the Caltrain rail line underground into the heart of San Francisco, taking drivers off the road, eliminating many tons of carbon dioxide each year, and connecting San Francisco to the rest of California via the future California High Speed Rail. Extending Caltrain into the central business district will save commuters almost an hour a day in travel time, particularly those travelling to and from the Peninsula, approximately 33,000 of whom will use the Transit Center each weekday. The DTX is also designed to accommodate high speed rail and rail connections to the East Bay, making the new Transit Center the Northern California terminus for high speed rail. By connecting all major cities in California with a state-of-the-art transportation system, high-speed trains will increase mobility while reducing air pollution and greenhouse gas emissions.

This improved connectivity and design are particularly important because use of public transit is expected to increase dramatically over the next twenty years. By 2030, AC Transit ridership will increase by 140 percent without the new Transit Center, and by even more in response to the improved facility. During the same time period, Caltrain ridership is projected to increase by over 90 percent if its terminal remains at 4th and King Streets, and by almost 150 percent once the DTX brings riders to the downtown Transit Center. The outdated Transbay Terminal could not serve existing ridership adequately and clearly lacked capacity for such increases.

By improving the efficiency and connectivity of public transit, the Project also will reduce use of automobiles and resulting vehicle miles travelled. This, in turn, will save commuters both traffic delays and the cost of operating and maintaining their vehicles. It also will reduce accidents and emissions of greenhouse gases and other pollutants. Economists have estimated that these changes represent hundreds of millions of dollars of direct benefits to travelers, including both transit riders who enjoy more efficient service and drivers who enjoy less crowded roads. Overall, the Project offers enormous benefits to the local and regional economies.

The Project also will fulfill the mandates of various local and state laws. These include San Francisco Proposition H, passed in November 1999, which directs the City to extend Caltrain from the current station to the Transit Center, and San Francisco Proposition K, passed in November 2003, which directs the City to expend transportation sales tax funds in part on the

DTX. The Project also complies with California Public Resources Code Section 5027.1(a) and California Streets and Highways Code Sections 2704.04(b) and 30914(c), all of which endorse reconstruction of the new Transit Center on the site of the existing Transbay Terminal and the new Transit Center's accommodation of a Caltrain extension and high speed passenger rail line. Copies of the referenced legislation are on file with the Clerk of the Board in File Nos. 101420 and 101421.

In Motion No. 16773, the City's Planning Commission adopted findings certifying the Project's Final EIS/EIR and recognized that the Project is necessary and beneficial to the public for improvement of regional transit services and replacement of the existing, seismically inadequate Terminal. In Motion No. 04-067, the Board of Supervisors adopted the Planning Commission's findings. In Resolution No. 612-04, the Board of Supervisors adopted environmental findings in relation to the Project. In Ordinance No. 124-05, the Board of Supervisors adopted additional environmental findings as part of its adoption of the Transbay Redevelopment Plan. On November 20, 2010, the Planning Department issued a determination that acquisition of the Property for the Project is consistent with the General Plan and Eight Priority Policies. Copies of the referenced legislation and letter are on file with the Clerk of the Board in File Nos. 101420 and 101421.

The inadequacy of the old Transbay Terminal and the substantial benefits offered by the Project make clear that the public interest and necessity require the Project.

Finding #2: The project is planned to maximize public good and minimize private injury.

The Project has undergone years of intense planning. It is designed to promote mass transit ridership, optimize connectivity with other transit projects such as California High Speed Rail, enhance redevelopment opportunities, and generate thousands of jobs in San Francisco and statewide. To foster ridership and connectivity, the TJPA has coordinated its planning and design efforts with public transportation providers such as San Francisco Muni, Bay Area Regional Transit (BART), AC Transit, Caltrain, Amtrak, California High Speed Rail, Golden Gate Transit, SamTrans, Greyhound, WestCAT Lynx, and paratransit. The TJPA also has cooperated in the planning efforts of the City Planning Department and the San Francisco Redevelopment Agency to facilitate redevelopment of the Transbay Neighborhood and to ensure that the Project results in transit-oriented development.

To build a new state-of-the-art Transit Center that can accommodate the needs of these diverse transit providers under a single roof, the TJPA must acquire several private properties. To minimize displacement of businesses and residents, the TJPA has scrutinized Project alternatives and selected the Project design and alignment that achieves the goals of safety, efficiency, and convenience, while minimizing cost and the need to acquire right of way. The Final EIS/EIR and its addenda describe alternatives that the TJPA considered and rejected as inferior to the approved plan and design.

As set forth in Board of Supervisors Resolution No. 612-04, which authorized the acquisition of property located at 80 Natoma Street by eminent domain, the Project is also planned to minimize private injury through mitigation measures that protect affected property owners and residents. A copy of the resolution is on file with the Clerk of the Board in File Nos. 101420 and 101421, and File No. 41079. The Final EIS/EIR and its addenda describe these measures, which include

specific methods used to calculate fair market value and the provisions of relocation assistance to property owners and tenants. As one such measure, the TJPA has adopted a comprehensive Relocation Assistance Program that provides displaced persons the full assistance available under federal and state law, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Copies of materials related to the TJPA's Relocation Assistance Program are on file with the Clerk of the Board in File Nos. 101420 and 101421.

As demonstrated by each of these measures, the Project is planned to maximize public good and to minimize private injury.

Finding #3: The property is necessary for the project.

The Property is one condominium unit in a four story building located on Natoma Street, between First and Second Streets. The building contains more than 19,160 square feet of gross floor area. It has no historic significance. The Property is a 2,109 square foot live/work condominium unit on the second floor. The Property is not owner-occupied. The Final EIS/EIR identifies the Property as right of way that the TJPA will need to acquire for construction of the Project. The condominium owners have not disputed the TJPA's need to acquire the condos in the building for the Project.

The TJPA requires the Property for construction of the train box portion of the Transit Center and the DTX tunnel. The DTX tunnel alignment will come into the Transit Center from Second Street, expanding to six tracks as it enters the lower levels of the new Transit Center. The interface between the DTX tunnel and the rail levels to be constructed within the Transit Center will be beneath the 85 Natoma condominium building. Construction of the train box requires demolition of the building. Maps depicting the relationship of the Property to the Program, and to the train box and tunnel in particular, are on file with the Clerk of the Board in File Nos. 101420 and 101421.

Although the TJPA initially planned to acquire the 85 Natoma building, including the Property, in Phase 2 of the Transbay Program, refinement of plans for construction of the rail levels of the Transit Center in Phase 1 now requires the TJPA to acquire all of the properties in the 85 Natoma building as part of Phase 1. In particular, the TJPA needs possession of the Property in early 2011 to proceed with scheduled construction of the Project.

The TJPA has engaged a contractor to demolish existing Transbay facilities in preparation for construction of the new Transit Center and train box; significant demolition work is ongoing. All of the demolition work is expected to be complete in May 2011. The TJPA plans to demolish the building on 85 Natoma as soon as it receives possession of the Property, either by amending the current demolition contract, or issuing a new demolition contract. To timely enter into a contract for demolition of the existing 85 Natoma building, the TJPA must have possession of the Property by April 2011.

The TJPA expects to award a contract for buttress, shoring, and excavation ("BS&E") related to the train box in December 2010. The TJPA plans to add the Property to the BS&E contract as soon as the TJPA receives possession of the Property. The TJPA plans to begin construction of the shoring wall prior to excavation of the train box in May 2011.

In light of these requirements and the location of the Property, the Property is immediately necessary for construction and completion of the Project.

Finding #4: The public entity has made a sufficient offer of purchase.

On September 15, 2009, the City and the TJPA jointly offered to purchase 85 Natoma #5 for \$1,250,000. The joint offer fully complies with Government Code § 7267.2: it (1) establishes the amount that the agencies believe to be just compensation for the Property, which is not less than the approved appraisals of its fair market value; (2) extends an offer to the owner of record to acquire the Property for the full amount so established; (3) provides an informational pamphlet detailing the process of eminent domain and the owner's rights under the Eminent Domain Law; and (4) provides a sufficiently detailed written statement of, and summary of the basis for, the amounts established as just compensation.

The property owner has not accepted the offer and has provided an independent appraisal. (The TJPA notes that the just compensation for the purchase of the Property is not at issue in the hearing on the Resolution of Necessity. Rather, the necessity to acquire property for the Project is the sole issue presented by the Resolution.)

Nonetheless, the joint offer to purchase the Property for its full, assessed, fair market value is sufficient for the City to proceed with an action in eminent domain.

Recommendation

On October 14, 2010 the TJPA Board of Directors adopted Resolution No. 10-045, which included the findings that (1) the public interest and necessity require the Transbay Transit Center Program, for which the property located at 85 Natoma Street #5 is to be taken, (2) the Project is planned to maximize public good and minimize private injury, (3) the Property is necessary for the Project, and (4) the City and the TJPA have made an offer of purchase for the fair market value of the Property as determined by an appraisal. Resolution No. 10-045 urges the San Francisco Board of Supervisors to adopt a Resolution of Necessity as required to condemn the Property on behalf of the TJPA for the Project.

Thank you for your long-standing and continued support of the Transbay Transit Center Program.

Sincerely,

Maria Ayerdi-Kaplan

Executive Director

Enclosure: Materials submitted to Board File Nos. 101420 and 101421

B07005 Real Property	Master Displayed: 11/05/2010
Read Only Block Lot Roll 2010 RollCde	
ol 25 APN 3721 113 Year 2010 EvtDate	
	REG O REG ROLL Date 6/30/2010
	Bill Num Res# A0176
Owner BROWN TERRI L	Not.Date Next
Care Of	
Address 1050 CRESTVIEW DR #324	TransCde SD Sale - Direct Enrollm
CtyStZip MOUNTAIN VIEW CA 94040	Date 9/18/2003 2003H542342
Status Cde * Taxable	NewConst
Use Code SRES Single Family Residential	NC DateAp1#
Class Code LZ Live/Work Condominium	
Nbrhd Code 09-B Financial District South	TempCode
CPI Factor 2370% TRA 1-016	TempDate
Tax Rate <u>1.1640</u> Acct #	
	Appr Id 222 4/28/2006
Last Sale SD 9/18/2003 1,275,000	
Base Years 2004	506 Int 480 Penalty0
Land 702,183 Improvment	702,183 Total L&I 1,404,366
Temp Land 0 Temp Impr	0 Total Temp 0
Pers Prop 0 Fixtures	0 Exemptions 0
Remarks SEE NOTES	0 Taxable 1,404,366
F1=Hlp F2=Mnu F3=Ext/Sav F4=Vw F6=Prpgt F9=	-Chrs F12-Cncl F22-CanAsmt F24-Dup

Sent via US Mail on November 19, 2010:

Terri Brown 85 Natoma Street, Suite 5 San Francisco, CA 94105

NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT, in accordance with Section 1245.235 of the Code of Civil Procedure, the Board of Supervisors of the City and County of San Francisco, as a Committee of the Whole, will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date:

Tuesday, December 7, 2010

Time:

3:00 p.m.

Location:

Legislative Chamber, Room 250 located at City Hall, 1 Dr. Carlton B.

Goodlett, Place, San Francisco, CA

Subject:

Public Hearing on Adopting Resolution to Acquire Real Property by Eminent Domain: authorize acquisition of real property commonly known as 85 Natoma Street #5, San Francisco, California (Assessor's Parcel No. Block 3721, Lot 113) by eminent domain for the public purpose of constructing the Transbay Transit Center Program.

Said public hearing will be held to make findings of whether the public interest and necessity require the City and County of San Francisco to acquire, by eminent domain, the following real property on behalf of the Transbay Joint Powers Authority (TJPA): fee ownership of the real property commonly known as 85 Natoma Street #5, San Francisco, California (Assessor's Parcel No. Block 3721, Lot 113) (Property), by eminent domain, for the public purpose of constructing the Transbay Transit Center Program (Project); adopting environmental findings under the California Environmental Quality Act (CEQA), CEQA Guidelines, and Administrative Code Chapter 31; and adopting findings of consistency with the General Plan and City Planning Code Section 101.1. A description of the Property is set forth in Schedule 1, available in the official file for review in the Office of the Clerk of the Board.

The purpose of said hearing is to hear all persons interested in the matter. You have a right to appear and be heard on the matters referred to in California Code of Civil Procedure Section 1240.030, including, but not limited to, whether: (1) the public interest and necessity require the Project; (2) the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; (3) the Property sought to be acquired is necessary for the Project; and (4) the City and the TJPA have made the offer required by California Government Code §7267.2 to the owner(s) of record of the Property.

Owners of the property who have been notified of such public hearing and who, within fifteen (15) days after the mailing of such notice, have filed a written request to do so, may

appear and be heard at the public hearing. The Board, at its discretion, need not give an opportunity to any other person to appear and be heard.

The procedure of the Board requires that the finding of public interest and necessity be made by a two-thirds vote of all its members.

At the close of the public hearing, a vote will be made on a resolution entitled "Resolution authorizing the acquisition of real property commonly known as 85 Natoma Street #5, San Francisco, California (Assessor's Parcel No. Block 3721, Lot 113) by eminent domain for the public purpose of constructing the Transbay Transit Center Program; adopting environmental findings under the California Environmental Quality Act (CEQA), CEQA Guidelines, and Administrative Code Chapter 31; and adopting findings of consistency with the General Plan and City Planning Code Section 101.1."

In accordance with Section 67.7-1 of the San Francisco Administrative Code, persons who are unable to attend the hearing on these matters may submit written comments prior to the time the hearing begins. These comments will be made part of the official public record in these matters and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, Room 244, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA, 94012.

Information relating to this matter is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Thursday December 2, 2010.

SCHEDULE 1

Legal description for the fee simple interest in real property commonly known as 85 Natoma Street #5, San Francisco, California (Assessor's Parcel No. Block 3721, Lot 113)

CITY SAN FRANCISCO

PARCEL I:

CONDOMINIUM UNIT NO. 5, LOT NO. 113, AS SHOWN UPON THE CONDOMINIUM MAP AND DIAGRAMMATIC FLOOR PLAN ENTITLED, "MAP OF 85 NATOMA STREET, A LIVE/WORK CONDOMINIUM PROJECT, BEING A SUBDIVISION OF LOT 90 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED JUNE 24, 1998 IN BOOK 43 OF PARCEL MAPS AT PAGE 181, BEING A PORTION OF ASSESSOR'S BLOCK 3721, SAN FRANCISCO, CALIFORNIA", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, ON DECEMBER 18TH, 2000, IN BOOK 66 OF CONDOMINIUM MAPS, AT PAGES 18 TO 22, INCLUSIVE, (REFERRED TO HEREIN AS "THE MAP") AND AS FURTHER DEFINED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED ON APRIL 9TH, 2001, IN BOOK H862, PAGE 70 OF OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA (REFERRED TO HEREIN AS "THE DECLARATION".)

EXCEPTING THEREFROM ANY PORTION OF THE COMMON AREA LYING WITHIN SAID UNIT.

EXCEPTING THEREFROM:

- (A) EASEMENTS THROUGH SAID UNIT, APPURTENANT TO THE COMMON AREA AND ALL OTHER UNITS, FOR SUPPORT AND REPAIR OF THE COMMON AREA AND ALL OTHER UNITS.
- (B) EASEMENTS, APPURTENANT TO THE COMMON AREA, FOR ENCROACHMENT UPON THE AIR SPACE OF THE UNIT BY THOSE PORTIONS OF THE COMMON AREA LOCATED WITHIN THE UNIT.

PARCEL II:

AN UNDIVIDED 12.62% INTEREST IN AND TO THE COMMON AREA AS SHOWN AND DEFINED ON THE MAP, EXCEPTING THEREFROM THE FOLLOWING:

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- (B) NON-EXCLUSIVE EASEMENTS, APPURTENANT TO ALL UNITS, FOR INGRESS AND EGRESS, SUPPORT, REPAIR AND MAINTENANCE.

PARCEL III:

(A) THE EXCLUSIVE EASEMENT TO USE DECK AREA DESIGNATED D-5 ON THE MAP

(B) THE EXCLUSIVE EASEMENT TO USE PARKING AREA DESIGNATED P-6 ON THE MAP.

PARCEL IV:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO PARCEL I, ABOVE, FOR SUPPORT, REPAIR AND MAINTENANCE, AND FOR INGRESS AND EGRESS THROUGH THE COMMON AREA.

PARCEL V:

ENCROACHMENT EASEMENTS, APPURTENANT TO THE UNIT, IN ACCORDANCE WITH THE PROVISIONS OF THE DECLARATION.

LOT 113, BLOCK 3721 (85 Natoma #5)

Sent via US Mail on November 19, 2010:

Corin Frost 85 Natoma St. #5 San Francisco, CA 94105

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LOT 113, BLOCK 3721 (85 Natoma #5)

OFFER LETTER



Amy L. Brown Director of Real Estate



September 15, 2009

Via Certified Mail

Terri L. Brown c/o Judi Cohen MBV Law, LLP 855 Front Street San Francisco, CA 94111

Re: 85 Natoma Street #5 (Block 3721, Lot 113): Offer to Purchase

Dear Ms. Brown and Ms. Cohen:

This letter constitutes a joint offer by the City and County of San Francisco ("City") and the Transbay Joint Powers Authority (TJPA) to purchase 85 Natoma Street #5 (Block 3721, Lot 113) (the "Property") from Terri L. Brown for One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) for the unencumbered fee simple interest in the Property.

The amount of the offer is the fair market value of the Property, as reflected in the attached Summary Appraisal Statement (dated May 18, 2009). The Summary Appraisal Statement provides a summary of the basis of the appraisal. The City's and the TJPA's joint offer is the full amount of the appraisal. Also attached is a proposed Agreement for Purchase and Sale of Real Estate containing the terms of the proposed purchase of the Property.

As you know, the City and the TJPA are making this offer to purchase the Property as an advanced acquisition based on the property owner's hardship. Because the property owner has asked the TJPA to acquire the Property earlier than the TJPA had planned, the TJPA must seek an additional source of funds for the acquisition from its funding partner, the San Mateo County Transportation Authority (SMCTA). Thus, the offer is contingent on the TJPA receiving funding from SMCTA.

As the owner of property acquired by a public agency, Ms. Brown may be entitled to relocation assistance. The attached Relocation Assistance Brochure should answer most questions concerning relocation assistance. If you have any questions that are not answered by this guide, please do not hesitate to contact me.

Letter to Terri L. Brown c/o Judi Cohen September 15, 2009 Page 2

We also attach an information pamphlet detailing the process of eminent domain and your rights under the Eminent Domain Law.

Under Code of Civil Procedure Section 1263.025, should Ms. Brown elect to obtain an independent appraisal, the TJPA will pay for the actual, reasonable costs of the appraisal up to \$5,000, subject to the following conditions:

- (a) Ms. Brown, not the City or the TJPA, must order the appraisal. Should the property owner enter a contract with the selected appraiser, the City and the TJPA will not be parties to the contract.
- (b) The selected appraiser must be a Certified General Appraiser with experience in appraising property in eminent domain actions, and licensed by the California Office of Real Estate Appraisers (OREA).
- (c) Appraisal cost reimbursement requests must be made in writing and submitted to the TJPA. The property owner must provide a copy of the invoice for all work completed by the appraiser.

We look forward to working with you to arrive at a mutually satisfactory agreement.

Very truly yours,

CITY AND COUNTY OF SAN FRANCISCO a Municipal Corporation

Amy L. Brown, Director of Property

TRANSBAY JOINT POWERS AUTHORITY

Harry Quinn, Right of Way Acquisition Agent

Letter to Terri L. Brown c/o Judi Cohen September 15, 2009 Page 3

Enclosures

- (1) Summary Appraisal Statement(1) Relocation Assistance Brochure
- (1) Eminent Domain Brochure
- (1) Agreement for Purchase and Sale of Real Estate

cc (w/o encls):

Maria Ayerdi-Kaplan Andrew Schwartz Kristen Jensen

PROPERTY DESCRIPTION

PRELIMINARY REPORT

FIRST UPDATED

Dated as of: April 16, 2007

at 5:00 PM

Reference:

160250462

Order No.: 160123 - MB

Regarding:

85 Natoma Street, #5 San Francisco, California

CHICAGO TITLE COMPANY hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception in Schedule B or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in the attached list. Copies of the Policy forms are available upon request.

Please read the exceptions shown or referred to in Schedule B and the exceptions and exclusions set forth in the attached list of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

The form of policy of title insurance contemplated by this report is:

California Land Title Association Standard Coverage Policy

Visit Us On The Web: westerndivision.ctt.com

Title Department:

Escrow Location:

CHICAGO TITLE COMPANY 2150 John Glenn, Suite 300 Concord, CA 94520 Phone: (925) 288-8000 Fax: (925) 521-9562

Meg Bertini
TITLE OFFICER

Chicago Title - San Francisco 388 Market St., Ste. 1300 San Francisco, California 94111 (415)788-0871 fax: (415)399-0940 Susan Trowbridge ESCROW OFFICER

SCHEDULE A

Order	No:
~~~	* 10.

160123 MB

Your Ref: 160250462

- 1. The estate or interest in the land hereinafter described or referred to covered by this report is:
- A CONDOMINIUM, AS THE SAME IS DEFINED IN SECTION 783 OF THE CIVIL CODE

2. Title to said estate or interest at the date hereof is vested in:

TERRI L. BROWN, AN UNMARRIED WOMAN

3. The land referred to in this report is situated in the State of California, County of San Francisco and is described as follows:

SEE ATTACHED DESCRIPTION

Page 1 Order No. 160123

CITY OF SAN FRANCISCO

#### PARCEL I:

CONDOMINIUM UNIT NO. 5, LOT NO. 113, AS SHOWN UPON THE CONDOMINIUM MAP AND DIAGRAMMATIC FLOOR PLAN ENTITLED, "MAP OF 85 NATOMA STREET, A LIVE/WORK CONDOMINIUM PROJECT, BEING A SUBDIVISION OF LOT 90 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED JUNE 24, 1998 IN BOOK 43 OF PARCEL MAPS AT PAGE 181, BEING A PORTION OF ASSESSOR'S BLOCK 3721, SAN FRANCISCO, CALIFORNIA", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, ON DECEMBER 18TH, 2000, IN BOOK 66 OF CONDOMINIUM MAPS, AT PAGES 18 TO 22, INCLUSIVE, (REFERRED TO HEREIN AS "THE MAP") AND AS FURTHER DEFINED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED ON APRIL 9TH, 2001, IN BOOK H862, PAGE 70 OF OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA (REFERRED TO HEREIN AS "THE DECLARATION".)

EXCEPTING THEREFROM ANY PORTION OF THE COMMON AREA LYING WITHIN SAID UNIT.

#### EXCEPTING THEREFROM:

- (A) EASEMENTS THROUGH SAID UNIT, APPURTENANT TO THE COMMON AREA AND ALL OTHER UNITS, FOR SUPPORT AND REPAIR OF THE COMMON AREA AND ALL OTHER UNITS.
- (B) EASEMENTS, APPURTENANT TO THE COMMON AREA, FOR ENCROACHMENT UPON THE AIR SPACE OF THE UNIT BY THOSE PORTIONS OF THE COMMON AREA LOCATED WITHIN THE UNIT.

#### PARCEL II:

AN UNDIVIDED 12.62% INTEREST IN AND TO THE COMMON AREA AS SHOWN AND DEFINED ON THE MAP, EXCEPTING THEREFROM THE FOLLOWING:

- (A) EXCLUSIVE EASEMENTS, OTHER THAN PARCEL III, AS DESIGNATED ON THE MAP AND RESERVED TO UNITS FOR USE AS DESIGNATED IN THE DECLARATION; AND
- (B) NON-EXCLUSIVE EASEMENTS, APPURTENANT TO ALL UNITS, FOR INGRESS AND EGRESS, SUPPORT, REPAIR AND MAINTENANCE.

#### PARCEL III:

- (A) THE EXCLUSIVE EASEMENT TO USE DECK AREA DESIGNATED D-5 ON THE MAP;
- (B) THE EXCLUSIVE EASEMENT TO USE PARKING AREA DESIGNATED P-6 ON THE MAP.

#### PARCEL IV:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO PARCEL I, ABOVE, FOR SUPPORT, REPAIR AND MAINTENANCE, AND FOR INGRESS AND EGRESS THROUGH THE COMMON AREA.

#### Page 2 Order No. 160123

#### DESCRIPTION .

PARCEL V:

ENCROACHMENT EASEMENTS, APPURTENANT TO THE UNIT, IN ACCORDANCE WITH THE PROVISIONS OF THE DECLARATION.

LOT 113, BLOCK 3721

#### SCHEDULE B

Page 1 Order No:

R

160123 MB

Your Ref: 160250462

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in the policy form designated on the face page of this Report would be as follows:

1. County and city taxes for the Fiscal Year 2007 - 2008, a lien not yet due or payable.

2. County and City taxes for the Fiscal Year 2006 - 2007

;

:

1st Installment

\$7544.04 PAID

2nd Installment

: \$7544.04 DELINQUENT + \$764.40 PENALTY

Land

\$663,255.00

Improvements

\$663,255.00 :

Personal Property

NONE

Exemption

NONE

A.P. No.

: LOT 113 BLOCK 2721

Code Area

: ' N/A

- 3. The Lien of Supplemental Taxes, if any, assessed pursuant to the provisions of Chapter 3.5, Revenue and Taxation Code, Sections 75 et seq.
- 4. The herein described property lies within the boundaries of a Mello-Roos C Community Facilities District("CFD"), as follows:

CFD No.

90-1

For

School Facility Repair and Maintenance

This property, along with all other parcels in the CFD, is liable for an annual Special Tax. This Special Tax is included with and payable with the general property taxes of the City and County of San Francisco. The tax may not be prepaid.

Further information may be obtained by contacting:

San Francisco Unified School District Office of the Superintendent for Business 135 Van Ness Ave. San Francisco, CA 94102

5. Notice of Special Restrictions under the City Planning Code of the City and County of San Francisco, upon the terms and conditions contained therein

Recorded

OCTOBER 8, 1998, REEL H237, IMAGE 624, SERIES NO.

98-G447785-00, OFFICIAL RECORDS

6. Property Line Window Agreement

Dated

OCTOBER 6, 1998

## SCHEDULE B (continued)

Order No: 160123 MB

Your Ref: 160250462

Executed By

: MARTIN PROPERTIES, LLC

Recorded

OCTOBER 8, 1998, REEL H237, IMAGE 626, SERIES NO.

98-G447787-00, OFFICIAL RECORDS

Which recites as Follows:

That the proposed openings along the northeast property line will be protected or closed with approved windows or wall construction, in the event that the adjoining property is improved in such a manner that the openings no longer comply with Sec. 504 (D) of the San Francisco Building Code.

7. Easement Agreement

Dated

OCTOBER 25, 2000

Executed By

: MARTIN PROPERTIES LLC, A CALIFORNIA LIMITED

LIABILITY COMPANY ("MPLLC")

And Between

580 HOWARD STREET OWNERS ASSOCIATION, A CALIFORNIA

NON-PROFIT OWNERS ASSOCIATION CORPORATION (580

OWNERS ASSOCIATION)

Upon the terms, provisions, covenants and conditions contained therein,

Recorded

: NOVEMBER 6, 2000, REEL H758, IMAGE 426, SERIES NO.

2000-G860199-00, OFFICIAL RECORDS

8. Limitations, covenants, conditions, easements, restrictions, reservations, exception, terms, liens or charges, but omitting any covenant or restriction, if any, based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, contained in the Declaration

By

: MARTIN PROPERTIES, LLC

Recorded

APRIL 9, 2001, REEL H862, IMAGE 70, SERIES NO.

2001-G928081-00, OFFICIAL RECORDS

NOTE: Section 12956.1 of the Government Code provides the following: If this document contains any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.1 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

- H Contains no reversionary clause.
- Contains a mortgagee protection clause.
  - 9. Liens and charges for upkeep and maintenance as set forth in the above mentioned Declaration, payable to 85 NATOMA STREET OWNERS ASSOCIATION.

### SCHEDULE B (continued)

Order No: 160123 MB Your Ref: 160250462

K 10. Deed of Trust to secure an indebtedness in the original amount shown below

Amount : \$892,500.00

Dated : SEPTEMBER 11, 2003

Trustor : TERRI L. BROWN, AN UNMARRIED WOMAN
Trustee : CALIFORNIA RECONVEYANCE COMPANY

Beneficiary : WASHINGTON MUTUAL BANK, FA, A FEDERAL ASSOCIATION

Address : C/O ACS IMAGE SOLUTIONS

12691 PALA DRIVE

MS156DPCA

GARDEN GROVE, CA 92841

Loan No. : 03-0661-065935077-1

Recorded : SEPTEMBER 18, 2003, REEL 1475, IMAGE 208, SERIES

NO. 2003-H542343-00, OFFICIAL RECORDS

11. Deed of Trust to secure an indebtedness in the original amount shown below

Amount : \$250,000.00 Dated : APRIL 27, 2005

Trustor : TERRI L. BROWN, AN UNMARRIED WOMAN

Trustee : AMERICAN SECURITIES COMPANY

Beneficiary : WELLS FARGO BANK, N.A.

Address : LSI-NORTH RECORDING DIVISION

5029 DUDLEY BLVD. MC CLELLAN, CA 95652 0651-651-8091528-1998

Loan No. : 0651-651-8091528-1998
Recorded : MAY 6, 2005, REEL 1884, IMAGE 378, SERIES NO.

2005-H948727-00, OFFICIAL RECORDS

12. SAID LAND LIES WITHIN THE BOUNDARIES OF THE "REDEVELOPMENT PLAN FOR THE TRANSBAY PROJECT AREA", AS DISCLOSED BY INSTRUMENT RECORDED AUGUST 4, 2006, IN REEL J-197, IMAGE 0575, INSTRUMENT NO. 2006-1224836-00, OFFICIAL RECORDS

- 13 DECLARATION OF RESTRICTIONS FOR THE TRANSBAY REDEVELOPMENT PROJECT AREA, RECORDED AUGUST 4, 2006, IN REEL J-197, IMAGE 0578, INSTRUMENT NO. 2006-1222839-00, OFFICIAL RECORDS.
- 14. The effect of instruments, proceedings, liens, decrees or other matters which do not specifically describe said land but which, if any exist, may affect the title or impose liens or encumbrances thereon. The name search necessary to ascertain the existence of such matters has not been completed and in order to do so we require a Statement of Identity

  From : TERRY L. BROWN

#### SUPPLEMENTAL NOTE:

None of the above exceptions preclude attachment of a CLTA 100 endorsement

PREUMBC-9/23/93bk

Page 4

## SCHEDULE B (continued)

Order No:

160123

MB

Your Ref:

160250462

to an ALTA loan policy issued pursuant to this Report and a CLTA 116.2 endorsement will reflect that there is located on said land a COMMERCIAL CONDOMINIUM known as 85 NATOMA STREET, #5, SAN FRANCISCO, CALIFORNIA.

NOTE 2:

According to the Public Records, no Deed conveying the property described in this Report has been recorded within a period of two years prior to the date of this Report, except as shown herein:

Title of the Vestee herein was

Acquired By

: GRANT DEED

From

STEEL ARC PROEPRTIES LLC, A CALIFORNIA LIMITED

LIABILITY COMPANY

To

: TERRI L. BROWN, AN UNMARRIED WOMAN

Recorded

: SEPTEMBER 18, 2003, REEL 1475, IMAGE 207, SERIES

NO. 2003-H542342-00, OFFICIAL RECORDS

JR/kh 07/31/05

Meg Update 4/26/2007

PRELIMBC-9/23/93bk

### SCHEDULE B (continued)

Order No: 160123 MB Your Ref: 160250462

#### CREDITORS' RIGHTS NOTE

NOTE:

If a 1970 ALTA Owner's or Lender's or 1975 ALTA Leasehold Owner's or Lender's policy form has been requested, the policy, when approved for issuance, will be endorsed to add the following to the Exclusions From Coverage contained therein:

#### Loan Policy Exclusion:

Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

- (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
- (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
- (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure
  - a. to timely record the instrument of transfer; or
  - of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

#### Owner's Policy Exclusion:

Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

- (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
- (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure
  - a. to timely record the instrument of transfer; or
  - b. of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

PRELIMBC-9/23/935k

### NOTE

The land referred to in this Preliminary Report was identified in the order application only by street address or assessor's parcel number. This land has been located on the attached map. The use of a street address or assessor's parcel number creates an uncertainty as to the correct legal description for the land involved in your transaction. Please review the map. Is the correct land located on the map? If your transaction involves other land or more land or less land than that located on the map you should immediately advise your title officer or escrow officer.

#### CHICAGO TITLE INSURANCE COMPANY

#### Fidelity National Financial Group of Companies' Privacy Statement July 1, 2001

We recognize and respect the privacy expectation of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public that we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

#### In the course of our business, we may collect Personal Information about you from the following sources:

- * From applications or other forms we receive from you or your authorized representative;
- * From your transactions with, or from the services being performed by, us, our affiliates, or others;
- * From our internet web sites:
- * From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- * From consumer or other reporting agencies.

#### Our Policies Regarding The Protection Of The Confidentiality And Security Of Your Personal Information

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

#### Our Policies and Practices Regarding the Sharing of Your Personal Information

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement service providers. We may also disclose your Personal Information:

- * to agents, brokers or representatives to provide you with services you have requested;
- * to third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- * to others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest.

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

#### Right To Access Your Personal Information And Ability To Correct Errors Or Request Change Or Deletion

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer Fidelity National Financial, Inc. 601 Riverside Drive Jacksonville, FL 32204

#### Multiple Products or Services:

If we provide you with more than one financial product or service, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.

#### LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS

#### CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
  - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not
  excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for
  value without knowledge.
- Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or the estate or interest insured by this policy.
- 4. Unenforceability of the lien of the insured mortgage because of the ability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
- 6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the Insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

- 2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
- 3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the exceptions in Schedule B, you are not insured against loss, costs, attorney's fees and expenses resulting from:

 Governmental police power, and the existence or violation of any law or governmental regulation. This includes building and zoning ordinances and also laws and regulations concerning:

land use

land division

improvement on the land

environmental protection

This exclusion does not apply to the violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

a notice of exercising the right appears in the public records on the Policy Date

the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:

that are created, allowed, or agreed to by you

that are known to you, but not to us, on the Policy Date - unless they appeared in the public records

that result in no loss to you

that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of

Covered Title Risks

- 4. Failure to pay value for your title.
- 5. Lack of a right:

to any land outside the area specially described and referred to in item 3 of Schedule A, or in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

#### **EXCEPTIONS FROM COVERAGE**

In addition to the Exceptions, you are not insured against loss, costs, attorneys' fees and expenses resulting from:

- 1. Someone claiming an interest in your land by reason of:
  - A. Easements not shown in the public records
  - B. Boundary disputes not shown in the public records
  - C. Improvements owned by your neighbor placed on your land
- If, in addition to a single family residence, your existing structure consists of one or more Additional Dwelling Unit, Item 12 of Covered Title Risks does not insure you against loss, costs, attorneys' fees, and expenses resulting from:
  - A. The forced removal of any Additional Dwelling Unit, or,
  - B. The forced conversion of any Additional Dwelling Unit back to its original use,

if said Additional Dwelling Unit was either constructed or converted to use as a dwelling unit in violation of any law or government regulation.

### AMERICAN LAND TITLE ASSOCIATION HOMEOWNER'S POLICY OF TITLE INSURANCE (10-17-98) EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorney's fees, and expenses resulting from:

- Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
  - a. building
- c. Land use
- e. Land division
- b. zoning d. improvements on the Land f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17, or 24.

- The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This
  Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
- The right to take the Land by condemning it, unless:
  - a notice of exercising the right appears in the Public Records at the Policy Date;or
  - b. the taking happened before the Policy Date and is binding on You If You bought the Land without Knowing of the taking.
- 4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
- 5. Failure to pay value of Your Title.
- 6. Lack of a right:
  - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

ALTARTIP 07/20/996k

#### AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

and

#### AMERICAN LAND TITLE ASSOCIATION LEASEHOLD LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT - FORM 1 COVERAGE

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
  - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- Pights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant:
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
  - (e) resulting in loss or damage which would not have been sustained if the insured clalmant had paid value for the insured mortgage
- 4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
- 6. Any statutory lien for services, labor or materials (or the claim or priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
- Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable
    - subordination; or the interest of the insured mortgages as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

- 2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- 3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

# AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) and AMERICAN LAND TITLE ASSOCIATION LEASEHOLD OWNER'S POLICY (10-17-92)

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

- Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violations of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
  - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not
  excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for
  value without knowledge.
- Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
    - Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
    - the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
    - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
      - (a) to timely record the instrument of transfer, or
      - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

#### **EXCEPTIONS FROM COVERAGE**

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1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

- 2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
- Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
- 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

performed to the control of the cont on asusants 7 , 2000 , before as, forth D. Sullings as been posted a been public in and for sale County and State, parachally appeared to the first and for sale county and state, parachally appeared to the first and for sale county and states. Martin Properties. Lio. the understands, abblividers of the real property shown calls had been been shown expensive the property shown calls had been been shown as a sensitied on the resolutions of Plannin Commission and the Board of Supervisors. We thank that that a sublicable are provisions of the Subdivision of the State of California and the Subdivision of California and the Subdivision of California and the California and I hereby state that I have examined this map; that the subdivision as about is a substitutely in same as it appeared on the tentative as a such and any approved alterations thereof; that all provisions of the Galifornia Subdivision May oft and any took; ordinances to California Subdivision May not and and took; ordinance applicable at the time of approved, of the testetie map have been complised with end that I am satisfied that this map is technically I hereby state that during the month of November, 1996, a survey suthorized by the Conses named hereon was made by so or under my direction, and the survey 16 true and complete as shown on this map. I do hereby state that the Associate are of the character an output the positions indicated on this map and the survey of this map can be retraced from the monuments indicated.

292 deep this dealers are not the survey of this part of the survey of this part of the survey of this dealers are not the survey of this survey of the survey of this su Janes B. Jackin B.G.E. 56, 42,149 (Exp. 3-31-01) Marlan L. Kelly, Jr. Giry Engineer Surface in Sustain Sustain Heavile Surface Sur Company of the state of the sta 2000. W. Sprift State of California 1 8.8. Mitness my hand and official seel. Pri Paritick Hollering CITY ENGINEER'S STATSHENT TRUSTER'S ACKNOWLEDGENENT STATEMENT OF AGREEMENT SHOIMESR'S STATEMENT Date Aby . 27 on forteness. 7. 12000, before see, Karl, D. 52 flives, a social public in and for said county and State, psessonally appeared seems from the seems in the basis of satisfactory settleness from the providence in the presonal whose means are subscribed to the vitable satherized causetiles, and when the presonal settleness on the basis of the the presonal of the entity upon behalf of which the persons acted axecused the mass in the presons of the entity upon behalf of which the persons acted. and further that the understand consent to the filling of this map as a map and plan vider the provisions of Chapter 1 of Tatle 5 of Part 4 of Division 2 of the Civil Code of California, consisting of this arrest and discrementic plans shown herein and this statement. Notes before the state of the s Ceriforness film serverting at transport metween with therefored is under Deed of Treas recorded figuris if peop, in Book Hills, , page 128. Official Records. ON ACRUPATAL 2. EXXX , before we, for fair, present as weary Poils in and for said Gounty and State, personally appeared Paricle M. Helborny and State (personally present provided and the help and the help and the help as the present when are a subscribed to the within instrument and extravidated to as one they assented the said these subscribed and extravidated to the within instrument and extravidated to the within the personal and the personal of the personal of the instrument. ä under Deed of Trust recorded Ethernol, 19, 2000 Bookyfer, Parazzy, Official Records, . 2000: Dated this 7th day of November OWERS: MARYN PROPERTIES, ILC.
By: PALLER H. HERSTORY Witness as hand and official seals. State of California County of Can Act of County of Can Act of Can are State of California County of Spa Canaly of Spa Canaly of Spa Canaly of Sa No Kick Charlent KHOH ALL HEN BY THESE PRESENTS

"MAP OF 86 NATORA STREET, A LIVE/MORK CONDOMINION PROJECT MAP PERING A PROTYGEOU FOR DOT 96 AS BROWN OF WART OFFRITS PARCEL MAP PORTION OF ASSESSION S 100 FARGEL MAPS AT PAGE 181. PORTION OF ASSESSIONS S EACHS 1721; BAN PRANCISCO, GALIFORNIA"

IN TESTIMONY MERICOP, I have hereunto subscribed by hand and caused the seal of this office to be affixed.  $f_{\rm col}$ 

Clark of the Leard (1) Supervisors of the City and County of San Francisco

By: CLEY ALTONO CO. The By: Debug City Attorney for the find County of San Francisco

APPROVED AS TO PORM

Mail A facilities and for said bounty and Sine and Cons. No. 1021222

2,000

This Map is approved this 29th day of Navadber, by Grder No. 772, 685

APPROVALS

Edu. M. Critical At. Prisesen mindia. Maries of Public Works and Addisory Anency. City and County of San Prancisco.

Filed this (2" day of DECEMBER 2000 at Bill AM
a. in Book 66 0 (Condomination March at Its
bases (Ethount 22, at the request of sarkin properties, inc.

RECORDER'S STATEMENT

County Recorder City and County of

BE NATCMA STREET

BEING A SUBDIVISION OF LOT 80 AS SHOWN ON THAT CREALN PARSE.

MAP FILED JUNE 24, 1988 IN BOOK 43 OF BASEE, MAPS AT PAGE 181

BEING A FORTION OF ASSESSOR'S BLOCK 3721

SAN PRANCISCO, CALIFORNIA.

KAP OF

Not Returnable

Oy and Course d'Ann Transier Land Lines

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TRUSTEE'S ACKNOWLEDGENENT

Mitness my

The state of the s GL+A CIVIL ENGINEERS.

SEP, 2000

ST CARCINE

SHEET I OF S SHEETS

Clark of Stard of Superprisers of the City and County of Sag Francisco State of California

. 2000

day of Occomber

Dated this 6 M

I also to bereby state that a bond in the amount fixed by said Beard and by the terms as a said to large to be bushfit of the City and County of San Francisco conditional for howsels of the above taxes or special amounts in the payable, has been filled with each apprecially asked beard.

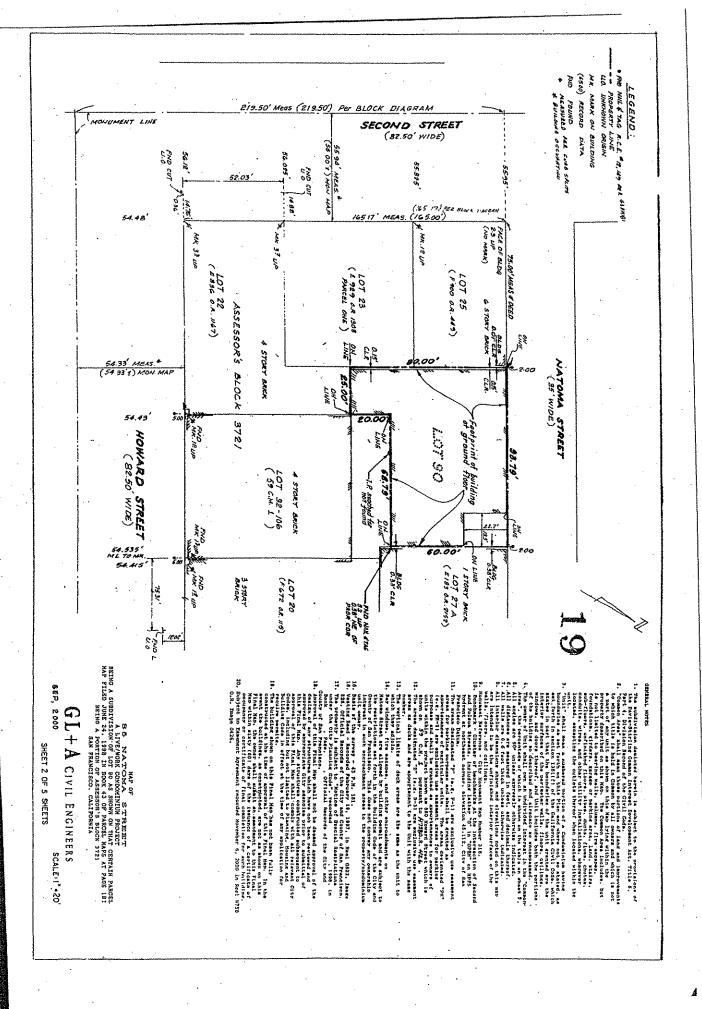
I, Gloria L. Young, Clark of the Board of Supervisors of the Olty and Country of San Francisco, Extra of Chiltonia, of hereby stake that the subdivider has filed a certificate from the Controller of the Olty and Country howled that according to the scored of his files there are no liens acainst this subdivision on any part thereof for unpuid Sate, Country, Municipal to local taxes or the country of the Count

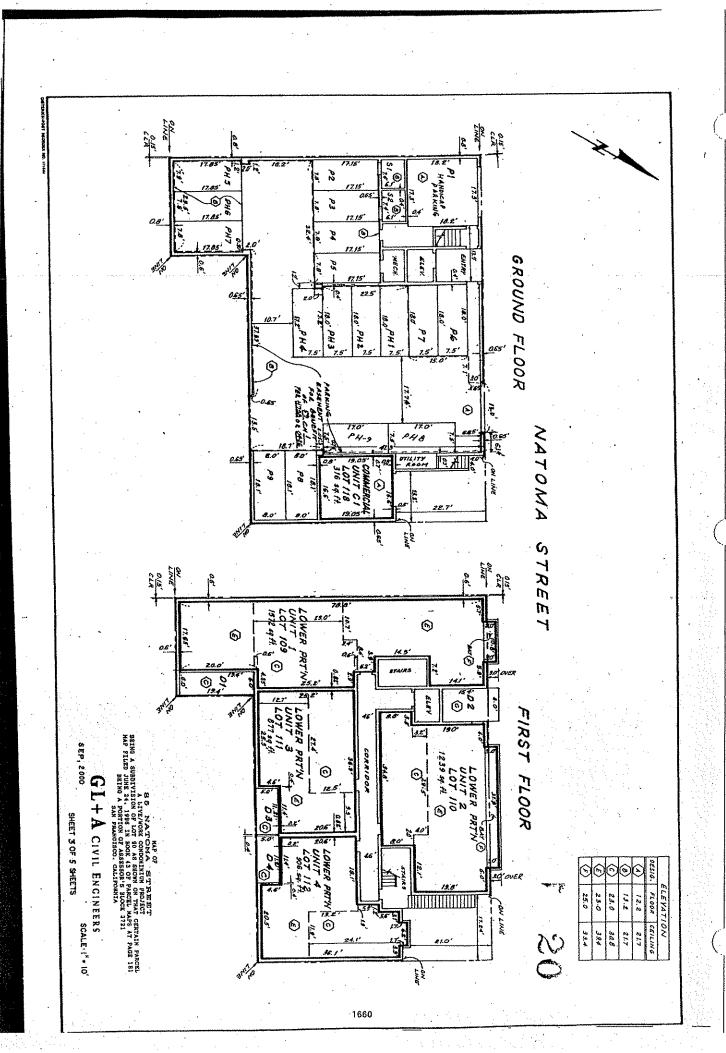
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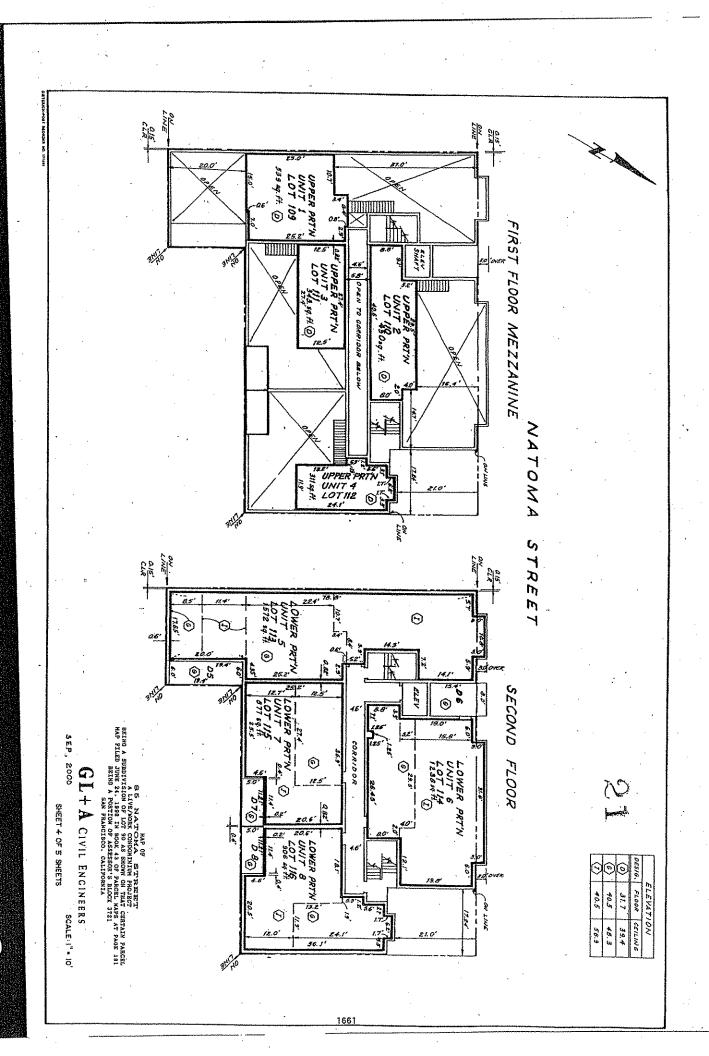
TAX STATEMENT

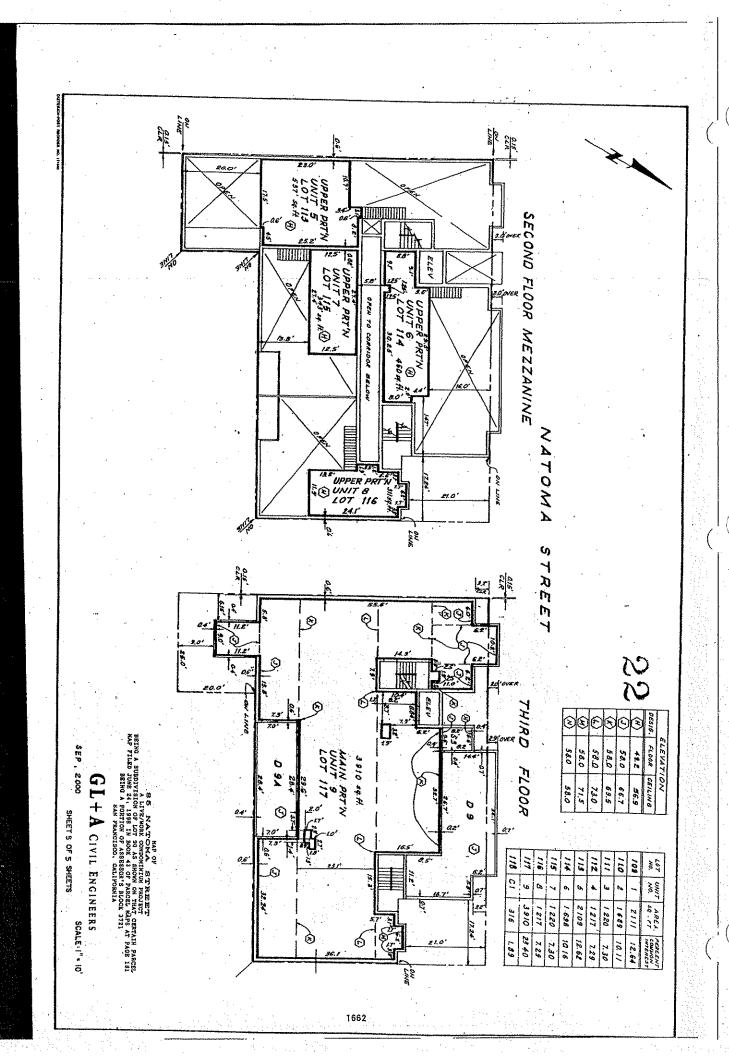
OWNER'S ACKHOWLEDGENENT

TRUSTERB:









Page 1 Order No. 160123

CITY OF SAN FRANCISCO

#### PARCEL I:

CONDOMINIUM UNIT NO. 5, LOT NO. 113, AS SHOWN UPON THE CONDOMINIUM MAP AND DIAGRAMMATIC FLOOR PLAN ENTITLED, "MAP OF 85 NATOMA STREET, A LIVE/WORK CONDOMINIUM PROJECT, BEING A SUBDIVISION OF LOT 90 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED JUNE 24, 1998 IN BOOK 43 OF PARCEL MAPS AT PAGE 181, BEING A PORTION OF ASSESSOR'S BLOCK 3721, SAN FRANCISCO, CALIFORNIA", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, ON DECEMBER 18TH, 2000, IN BOOK 66 OF CONDOMINIUM MAPS, AT PAGES 18 TO 22, INCLUSIVE, (REFERRED TO HEREIN AS "THE MAP") AND AS FURTHER DEFINED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED ON APRIL 9TH, 2001, IN BOOK H862, PAGE 70 OF OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA (REFERRED TO HEREIN AS "THE DECLARATION".)

EXCEPTING THEREFROM ANY PORTION OF THE COMMON AREA LYING WITHIN SAID UNIT.

#### EXCEPTING THEREFROM:

- (A) EASEMENTS THROUGH SAID UNIT, APPURTENANT TO THE COMMON AREA AND ALL OTHER UNITS, FOR SUPPORT AND REPAIR OF THE COMMON AREA AND ALL OTHER UNITS.
- (B) EASEMENTS, APPURTENANT TO THE COMMON AREA, FOR ENCROACHMENT UPON THE AIR SPACE OF THE UNIT BY THOSE PORTIONS OF THE COMMON AREA LOCATED WITHIN THE UNIT.

#### PARCEL II:

AN UNDIVIDED 12.62% INTEREST IN AND TO THE COMMON AREA AS SHOWN AND DEFINED ON THE MAP, EXCEPTING THEREFROM THE FOLLOWING:

- (A) EXCLUSIVE EASEMENTS, OTHER THAN PARCEL III, AS DESIGNATED ON THE MAP AND RESERVED TO UNITS FOR USE AS DESIGNATED IN THE DECLARATION; AND
- (B) NON-EXCLUSIVE EASEMENTS, APPURTENANT TO ALL UNITS, FOR INGRESS AND EGRESS, SUPPORT, REPAIR AND MAINTENANCE.

#### PARCEL III:

- (A) THE EXCLUSIVE EASEMENT TO USE DECK AREA DESIGNATED D-5 ON THE MAP;
- (B) THE EXCLUSIVE EASEMENT TO USE PARKING AREA DESIGNATED P-6 ON THE MAP.

#### PARCEL IV:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO PARCEL I, ABOVE, FOR SUPPORT, REPAIR AND MAINTENANCE, AND FOR INGRESS AND EGRESS THROUGH THE COMMON AREA.

Page 2 Order No. 160123

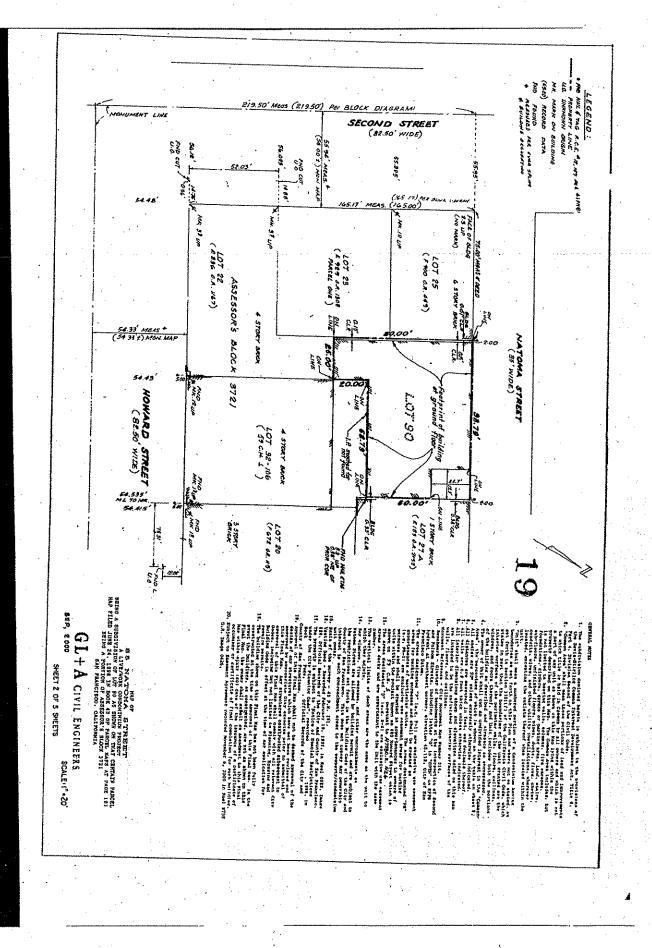
### **DESCRIPTION**

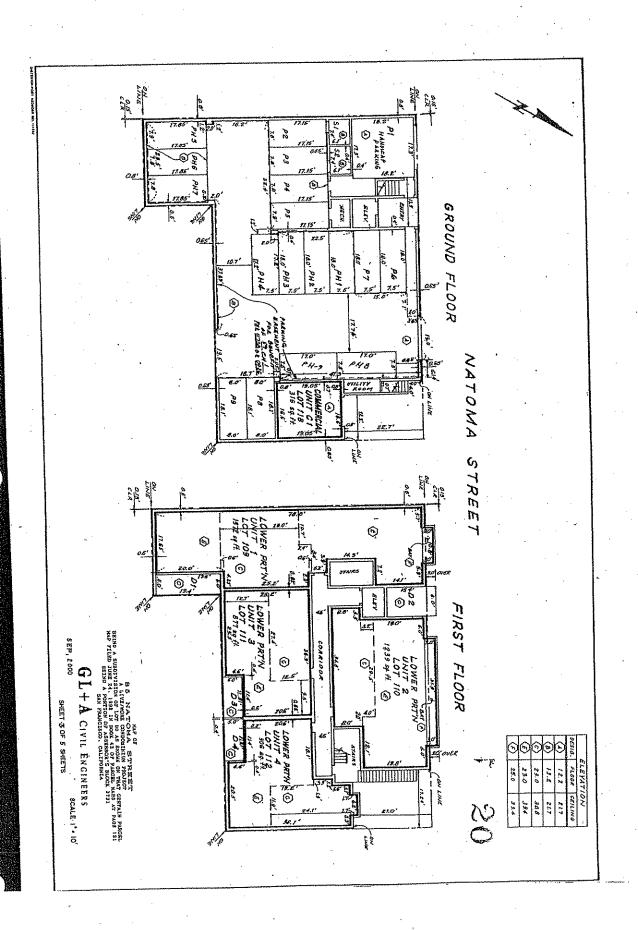
PARCEL V:

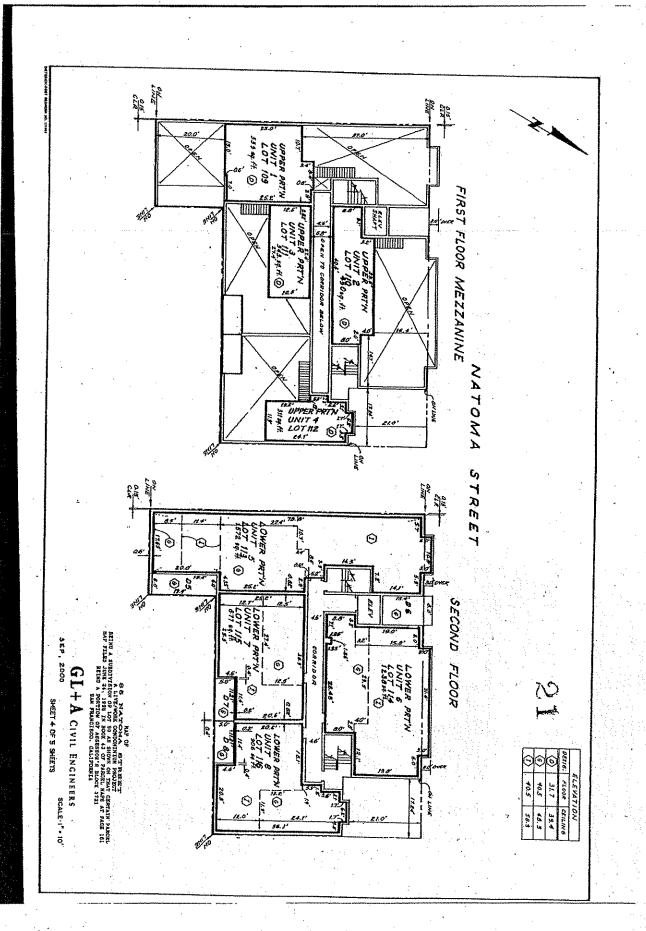
ENCROACHMENT EASEMENTS, APPURTENANT TO THE UNIT, IN ACCORDANCE WITH THE PROVISIONS OF THE DECLARATION.

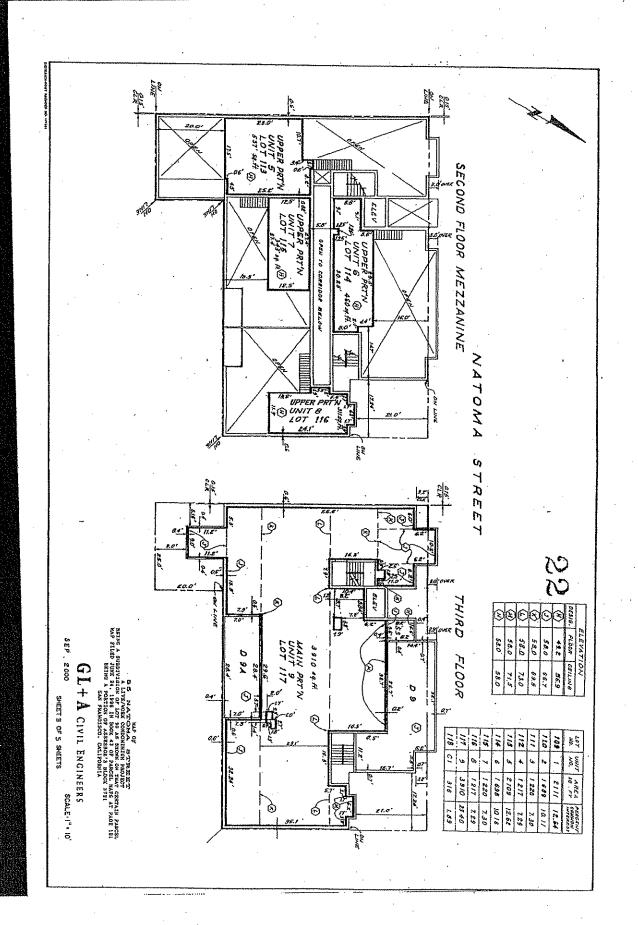
LOT 113, BLOCK 3721

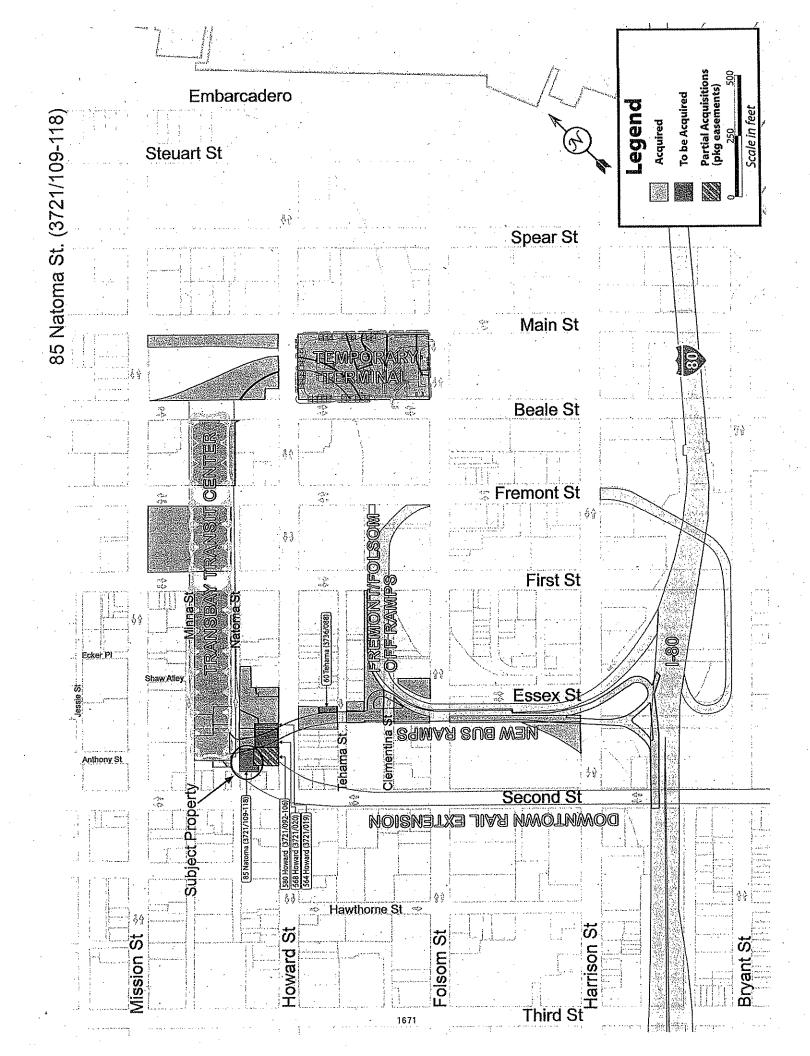
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Vitness EV hand and official seal.  Witness EV hand and official seal.  Wherey Police in and for said commercial and said commercial and for said commercial and said commerci	County of State of California County and State of Allican County of State of California County and State, personally appeared a Moisry Public is and for said County and State, personally appeared a Moisry Public is and the law proud on the basis of sails factory county and state to the sail of the persona and that the by account of a time and that the by heart statement on the instrument authorizant of the sailty upon baball of which the persons account authorizant of the instrument.	OMER'S ACCOUNTS LAND AND AND AND AND AND AND AND AND AND	Description of the statement.	ONNEY: STATEMENT  MHOW ALL MEM AT THESE PRESENTS  KHOW ALL MEM AT THESE PRESENTS  THE Tho understands state that they are the only parties having record title increase in the land woodsylded and do beneal and within the distinction be bondary in his upon the man partition. He was the work of the man partition and recorded to the was comparating application and recorded to 10 for 10 as packet was a fact that we was a fact that a fact that was a fact that a fact the provisions of thencer 1 of Title 5 of Parties for the survey for the survey of
	Pate New 124 2000 By: September 18 19 19 19 19 19 19 19 19 19 19 19 19 19	Authorized by the where the true and consider as about on this agree of the character and account the three that the soundards are of the character and account the partitions indicated on this are not the survey of this as on the privaced for this accounts indicated.  Dated this	ENTERENT OF AGREPHENT  FORTING THE PROPERTY OF AGREEMENT OF AGRE	and the state of t
ERING A SUBELVISION OF LOT 70 AS SHOWN ON THAT CERTAIN ANDERSON OF LOT 70 AS SHOWN ON THAT CERTAIN ANDERSON SHOWN OF AREASEASER AS ALCON 3721  SELVING A POPITION OF AREASEASER IS ALCON 3721  SAN FRANCISCO, CALIFORNIA  GL+A CIVIL ENGINEERS  SEF, 2000 SHEET 1 OF 5 SMEETS	STATE OF THE PROPERTY STATES OF CONTRACT OF STATES OF COURSE OF STATES OF COURSE OF STATES OF COURSE OF STATES OF ST	THE SPATEMENT.  1. Olderle I., Young, Clark of the Board of Supervisors of the Citic and Country of the Phenolese, State of Chilfornia, do hereby cause that the subdivider has filled a certificate from the Controller of the chiry and Country should that so controller to the searched of his citics there are no least earliest this subdividion or may part these for unpublic States, Country, Municipal or Country are the subdividion or may part and the substantian for yet probles, which are earlied to be a search of the subdividion of the country and the substantian for yet probles, which are estimated to be a search as a seasch and the substantian for the subdividion of the above that a supervised by a fill participation of the short that a board is assessments not are to parable. has been filed with the or subdividion of the substantian of	CLERK'S RIVERSET.  CLERK'S RIVERSET.  CLORED A COUNTY OF THE FAMILIAN OF THE SECONDARY OF THE FAMILIAN OF THE SECONDARY OF TH	This was served this 25m day of New Hiber. 2000  by Order No. 172.600  J. Color No. 172.

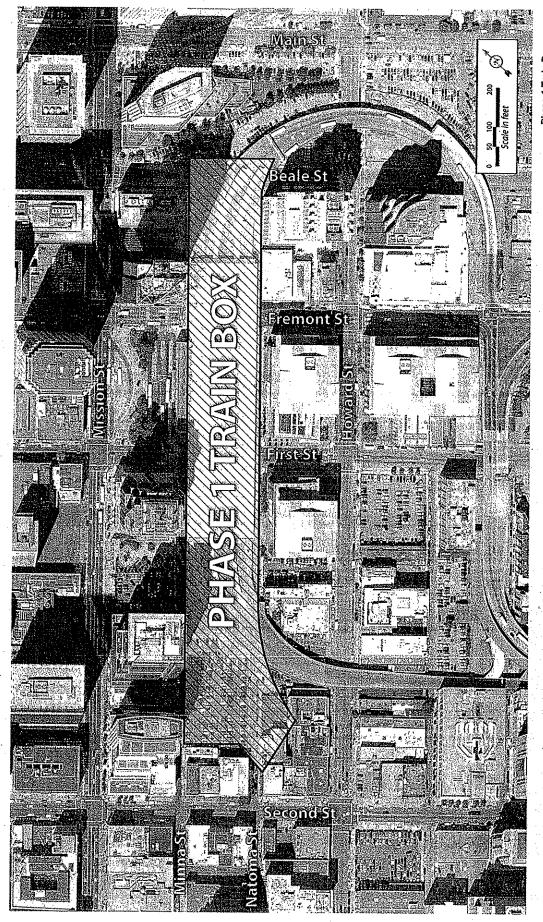


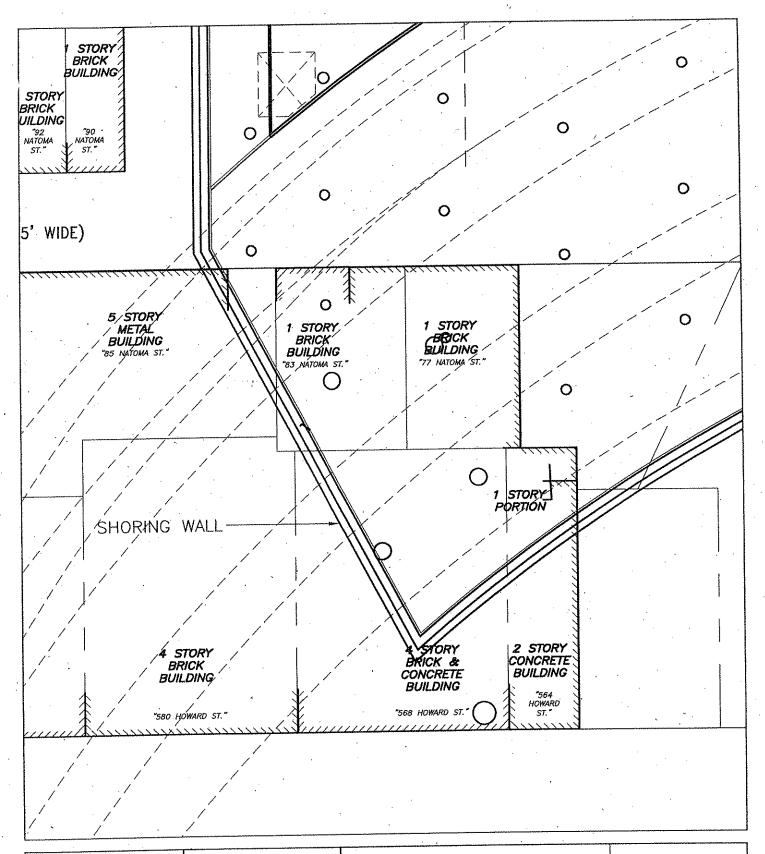


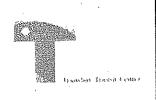














DRAWING TITLE: SHORING WALL LAYOUT ARCHITECTURAL LAYOUT

SCALE: 1/32" = 1'-0" PROJECT NO.

DATE:

09/17/10 0803-00 SKA-1045

DRAWN BY: GR CHECKED BY: PM

# CORRESPONDENCE

LAW OFFICES

## TURNER & TURNER A PROFESSIONAL CORPORATION

WILLIAM J. TURNER ANDREW J. TURNER

September 19, 2006

411 BOREL AVENUE, SUITE 230

SAN MATEO, CA 94402-3512

TELEPHONE (650) 573-7677 FAX (650) 573-1150

www.turner-turner.com

Andrew W. Schwartz, Esq. Shute, Mihaly & Weinberger LLP 396 Hayes Street San Francisco, CA 94102

Re: Terri Brown (85 Natoma, Suite No. 5) - Transbay Terminal/Caltrain Extension Project

Dear Mr. Schwartz:

Our firm represents Terri Brown who owns Suite No. 5 located at 85 Natoma Street, San Francisco, Ca. (Property). We are informed you represent Transbay Joint Powers Authority (TJPA) and that you are authorized to receive this letter on its behalf. The purpose of this letter is to summarize the adverse impact of the Transbay Terminal/Caltrain Extension Project (Project) on Ms. Brown and to assist your client in responding to her request for immediate acquisition of the Property.

Ms. Brown listed the Property for sale in December 2004. Immediately she had an interested buyer. This buyer's interest ceased when he learned about the Project and TJPA's intent to acquire the Property. This was the first Ms. Brown had heard that TJPA intended to acquire it. Soon after, Ms. Brown began her own investigation and learned that the Property was in fact designated for Acquisition & Demolition. (TJPA EIS/EIR). Ms. Brown quickly realized she could not sell the Property because of this threat of TJPA's proposed condemnation and took it off the market.

Ms. Brown first spoke with TJPA's representative, Harry Quinn, regarding its plans to acquire the Property in March 2005. At that time Mr. Quinn represented that TJPA intended to acquire the Property and that the acquisition process, beginning with appraisals, would commence in the fall of 2005.

Between April 2005 and August 2006 Ms. Brown had numerous additional conversations with Mr. Quinn regarding the Project and the timing relating to TJPA's proposed acquisition of the Property.

As a result of the impending acquisition, Ms. Brown's tenant, Echopass Corp. gave notice in June 2005 that it did not intend to renew its lease and vacated the Property in September 2005.

In October 2005, Ms. Brown, a single mother, was living with her 12 year old daughter in their home located in Bernal Heights. Since she was no longer receiving the \$6,000 per month rental

Andrew W. Schwartz, Esq. Page 2 September 19, 2006

income from leasing the Property, it became readily apparent Ms. Brown could not afford to carry both properties. She also understood that since TJPA would soon be pursuing eminent domain to acquire the Property, it would not be leasable or saleable at its fair rental or market value. Faced with this unfortunate situation, Ms. Brown made the only choice she had, sell her Bernal Heights home and move with her daughter temporarily to the Property until TJPA acquired it.

In November 2005, Ms. Brown listed her Bernal Heights home for sale and in January 2006, she sold it and moved with her daughter to the Property.

Within a couple months of moving into the Property with her daughter, Ms. Brown learned from Mr. Quinn that there would be a delay in TJPA's acquisition of the Property. This put Ms. Brown in a horrible position since she had planned to and could only afford to live in the Property for a few months. In April 2006, she learned that the tenant living below the Property was interested in leasing it. This tenant was aware of the Project and was willing to enter a lease for the Property for \$5,800 per month. This rate is well below current market and does not even cover Ms. Brown's costs to carry the Property. In May 2006, Ms. Brown vacated the Property and the tenant moved in.

Between November 2005 and June 2006 Ms. Brown was given numerous schedules and representations by Mr. Quinn that TJPA would soon be appraising the Property and making its offer of compensation for acquisition of it. As recent as late June 2006 Mr. Quinn advised Ms. Brown that two appraisers had been hired and that they would be contacting her in early August 2006 to arrange for appraisals.

It was not until August 2006 that Ms. Brown learned in a conversation with you that the Property may not be acquired by TJPA until 2012.

After vacating the Property in May 2006, Ms. Brown placed her belongings in storage and has been living with friends. Ms. Brown's daughter, Madison, has been living full time with her other mother. Until this school year, Madison attended Adda Clevenger Junior Preparatory School in San Francisco. Due to Ms. Brown's financial constraints Madison no longer attends that school. She now attends public school in Palo Alto where her other mother is a teacher. Ms. Brown wants her life back which obviously includes having a home where she can be with her daughter.

Ms. Brown is severely strained financially by her attempt to carry the Property. By continuing to hold it, she daily incurs substantial economic and personal loss. She cannot sell it at its fair

Andrew W. Schwartz, Esq. Page 3 September 19, 2006

market value under the continuing cloud of TJPA's plans to acquire it by eminent domain. In short, Ms. Brown has been placed in an intolerable situation that can be alleviated only by prompt acquisition of the Property by TJPA at its fair market value. That fair market value must of course be established by an appraisal which ignores the adverse impacts of the Project on that value.

In view of her obvious continuing hardship, Ms. Brown requests that TJPA immediately complete the process of acquisition of her Property.

Sincerely,

William J. Turner

WJT:n

cc: Terri Brown

# SHUTE, MIHALY & WEINBERGER LLP

E. CLEMENT SHUTE, JR. MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER SABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING SENIOR COURSEL

396 HAYES STREET
SAN FRANCISCO, CALIFORNIA 94102
TELEPHONE: (415) 552-7272
FACSIMILE: (415) 552-5816
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KEVIN P. BUNDY ANDREA RUIZ-ESQUIDE SHERIDAN J. PAUKER ELENA K. SAXONHOUSE MICHELLE WILDE ANDERSON

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

DAVID NAW! ANDREW W. SCHWARTZ OF COUNSEL

November 14, 2006

William J. Turner Turner & Turner 411 Borel Avenue, Suite 230 San Mateo, CA 94402-3512

Re:

85 Natoma Street #5

Dear Mr. Turner:

As you know, this firm represents the Transbay Joint Powers Authority ("TJPA") on matters relating to the Transbay Transit Center Program ("Program"). We are writing in response to your letter dated September 19, 2006 requesting that the TJPA acquire 85 Natoma Street #5 at least several years in advance of the planned acquisition for the Program based on the parcel owner Terri Brown's alleged hardship.

As we have informed you, the public agencies that provide 100 percent of the funding to the TJPA for the Program have limited funds available for property acquisition. Accordingly, to justify an extraordinary request for funds for purchase of properties many years in advance of the Program's need for the property, the TJPA must be presented with clear evidence of special circumstances that differentiate the advance purchase applicant from the owners of other properties planned for acquisition in the future.

At its regular meeting on October 27, 2006, the TJPA Staff presented your September 19 letter to the Board in closed session. Following the closed session, it has been determined that the TJPA will consider your client's request for an advance purchase; provided, however, that your client provide more information supporting her claim of hardship.

The guidelines provided by the California Department of Transportation's ("Caltrans") Right of Way Manual, sections 5.03.00.00 et seq., enclosed for your reference, state that requests for advanced acquisition must satisfy four minimum criteria:

- Owner demonstrates need to dispose of property.

  Caltrans recognizes the following circumstances may justify an owner's need to dispose of her property: (a) medical (e.g., advanced age, ambulatory defect, major disability or a doctor's recommendation); (b) financial (e.g., loss of employment, retirement, or pending mortgage foreclosure); (c) change of work location; (d) non-decent, safe, and sanitary housing; or (e) monetary loss.
- Owner is unable to dispose of property at fair market value because of transportation facility plans.

  The TJPA does not need to acquire properties for Phase II of the Program, including your client's property, for at least five years. Thus, in order to satisfy this criterion, a property owner would need to demonstrate an inability to sell or rent the property during this five year period at fair market value/rent because of the Program.
- (3) Owner cannot reasonably alleviate the hardship in the absence of the state's purchase.
- (4) State's purchase will either partially or totally alleviate the hardship.

In order to evaluate your client's claim of hardship and prioritize requests for advanced acquisition, the TJPA needs additional information demonstrating your client's satisfaction of the four criteria described above, and otherwise substantiating your client's alleged hardship. In particular, please provide us with pertinent information and supporting documentation, such as:

- Financial information supporting any claimed need to dispose of the property based on financial hardship (sample Caltrans financial statement indicating the required level of detail enclosed for your reference);
- Doctor's statement or equivalent supporting any claimed need to dispose of the property based on medical need;
- Verification from employer or equivalent supporting any claimed need to dispose of the property based on change of employment location;
- Copies of real estate listings or other, similar documentation indicating your client's effort to rent or sell the parcel;
- Letter(s) from a real estate broker or other, similar professional supporting any claimed inability to rent or sell the parcel at fair market value over the next five years;
- Evidence supporting the claimed fair market rent and/or sale value of the parcel.

William J. Turner November 14, 2006 Page 3

• Evidence supporting any claim of inability to sell or rent the property at fair market value/rent.

This information is necessary for the TJPA's investigation and it will be treated in a confidential manner. At the conclusion of the TJPA's investigation, any confidential material will be returned to you.

Please be advised that to be eligible for any relocation benefits under existing regulations, the claimant must occupy the required property at the time the acquiring agency makes the first offer to buy the property. To be considered a first offer for this purpose, the offer must include the dollar amount offered for the purchase, as distinguished from a more general discussion of the TJPA's need to acquire the property.

If you have any questions or need assistance regarding the application, please contact me.

Very truly yours, SHUTE, MIHALY & WEINBERGER LLP

Andrew W. Schwartz

Enclosures

cc: Maria Ayerdi

P:\TJPA\ROW\85 Natoma\#5\dk001(hardship request).doc

#### STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION PERSONAL FINANCIAL STATEMENT (Form #)

**EXHIBIT** 5-EX-10 PAGE 1 OF 3

PERSONAL INFORMATION NOTICE

Pursuant to the Federal Privacy Act (P.L. 93-579) and the Information Practice Act of 1977 (Civil Code Sections 1798, et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principal purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.24 of the IPA of 1977. Each individual has the right upon request and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular. Direct any inquiries on information maintenance to your IPA Office.

A Committee of the Comm	s of		
Name Age E	mployed by _	Years	
Address Occupatio	n	Name of SpouseAge	· .
TO: Department of Transportation	Are in		
California			
The undersigned, for the purpose of ob- property under the hardship program, s		eration for advance acquisition of my transporta lowing information:	tion-affected
ASSETS	DOLLARS	LIABILITIES (TOTAL AMOUNT DUE)	DOLLARS
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3		3	
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STOCKS AND BONDS (SCHEDULE B)		NOTES PAYABLE	
NOTES RECEIVABLE-GOOD		I •	
CASH SURRENDER VALUE LIFE INSURANCE		2.	
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OTHER ASSETS (DESCRIBE)		REAL ESTATE INDEBTEDNESS (SCHEDULE C)	
*		OTHER LIABILITIES (DESCRIBE)	
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i.		3.	
		4.	
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LESS TOTAL LIABILITIES NET WORTH			

# PERSONAL FINANCIAL STATEMENT (Cont.) (Form #)

ASSETS	DOLLARS	ANNUAL EXPENDITURES (EXCLUDING ORDINARY LIVING EXPENSES)	DOLLAR
SALARY	·	REAL ESTATE PAYMENT(S)	
SALARY (SPOUSE)		RENT	
DIVIDEND INCOME		INCOME TAXES	
GROSS RENTAL INCOME		INSURANCE PREMIUMS	
OTHER (DESCRIBE)		PROPERTY TAXES	······
1		OTHER (DESCRIBE-INCLUDE INSTALLMENT	
2.		PAYMENTS OTHER THAN REAL ESTATE)	
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5.		3.	
6.		4.	•
7.		5.	
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LESS TOTAL EXPENDITURES .			
NET CASH INCOME			
(EXCLUSIVE OF ORDINARY LIVING			
EXPENSES)			

^{*} If insurance premiums and property taxes are included in real estate payment do not duplicate here,

### PERSONAL FINANCIAL STATEMENT (Cont.)

(Form #)

EXHIBIT 5-EX-10 PAGE 3 OF 3

SCHEDULE A-SAVINGS				
Savings Institution and Address				AMOUNT
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4.				
5.				
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SCHEDULE B-STOCKS AND BONDS Number of Shares				
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		•		
TOTAL (ENTER ON FRONT PAGE)				
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SCHEDULE C-REAL ESTATE  Location and Type		Estimated	Amount	To Whom
of Improvement	Title	Value	Owed	Payable
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TOTAL (ENTER ON FRONT PAGE)				
If additional space is needed for Schedule A,	Schedule B. and/or Schedule	C, list on separate:	sheet and attac	h.
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#### 5.03.00.00 - HARDSHIP

#### 5.03.01.00 General

Hardship is defined as a situation where unusual personal circumstances of an owner are aggravated by a proposed transportation facility and cannot be solved by the owner without acquisition by the State. There are two types of hardships:

- Those which occur in advance of the regular right of way acquisition process.
- Those which occur when the requirements for commencing the regular right of way acquisition process have been met, but funding and activity on the project have been deferred.

The Districts are authorized to approve both types of parcels for hardship acquisition.

Departmental practice is to investigate to determine need and to appraise and acquire the property with minimal delay. In some instances this may require extraordinary efforts such as obtaining independent staff appraisals. Owners of hardship parcels should receive full consideration and service consistent with normal acquisition procedures, including appropriate relocation assistance and sufficient time to consider State's offer. The District shall make the first written offer to the applicant within 90 days from the date of the DDD-R/W's approval letter or the Federal authorization if requested.

#### 5.03.02.00 RAP Eligibility

The District should notify the applicant in writing of the requirements for RAP eligibility when the hardship investigation commences. If the hardship application is not approved, the applicant should be informed of benefits that will be lost if applicant vacates prior to regular acquisition (first written offer). (See Exhibit 5-EX-04.) At the same time, it is important to ensure that double relocation payments are not made and Federal reimbursement is not lost. In line with this intent, if an application is approved and the applicant is forced to move prior to the time a written offer can be presented, the District must mail a Notice of Intent to Acquire to

preserve relocation eligibility. (See Forms RW 06-11, 13, and 14.) This letter should not be mailed until after approval of the hardship acquisition and should not be issued unless initiation of negotiations will commence less than 90 days subsequent to said Notice. This action will preserve the relocation eligibility of applicants and will avoid the possibility of creating more than one eligible relocatee.

#### 5.03.03.00 Cessation of Hardship

If it determines that a hardship no longer exists, the Acquisition Branch must immediately withdraw any outstanding offer to purchase and advise the owner of the right to appeal the case to the District Hardship Appeals Board. (See Sections 5.03.06.00 through 5.03.06.03.)

## 5.03.04.00 Guidelines for Processing Requests

#### 5.03.04.01 Hardship Criteria

The following minimal requirements must be met and documented if a hardship request is approved:

- Owner demonstrates need to dispose of property.
- Owner is unable to dispose of property at fair market value because of transportation facility plans.
- Owner cannot reasonably alleviate the hardship in the absence of the State's purchase.
- State's purchase will either partially or totally alleviate the hardship.

Inconveniences experienced by all or most owners along a route are not satisfactory reasons for hardship purchase (for example, an owner's simple desire to move to another area).

#### 5.03.04.02 Need to Dispose of Property

Some of the reasons that may require an owner to sell immediately and that can result in a

	SUBMITTAL ITEMS - HARDSHIP	TELICATION
Item	Explanation	Circumstance
Written Request or Statement	Outlining the reasons why owner(s) must sell the property at this time.	
Application	Completed and signed by owner(s). See Exhibit 5-EX-3.	
Financial Statement	See Exhibit 5-EX-10 or 5-EX-11	Not required (at the District's discretion) if the hardship request is due to medical problems, job transfer, advanced age, or retirement move.
Market Substantiation	Evidence of reasonable attempt to market the property:  Copy of valid listing.  Statement from a broker citing reasons the property has not or cannot be sold.  Evidence or information obtained by the District.	If there have been other unsuccessful attempts to sell the property on the project at fair market value, listing the property is not required. The District should state in its recommendation that the property cannot be sold at fair market value because of the proposed project.
Income Tax Authorization	Signed authorization to obtain a copy of Federal and State income tax returns (Exhibits 5-EX-5 and 5-EX-6). The District secures copies of the latest tax returns if additional documentation is needed.	Optional if the District is satisfied with all the financial information submitted by applicant.
Doctor's Statement or Equivalent		Required if hardship request is based on a medical reason.
Verification from Employer		Required if hardship request is based on a transfer of employment.
Index Map and Plat Map	Showing affected parcel in relation to project right of way. Maps should be 11"x17" if possible.	
FNM-76	Copy of the request for Federal participation if applicable.	
Hazardous Waste Statement	Describing potential of hazardous waste at the property, if any.	
District Approval Letter		
Categorical Exemption/ Exclusion Determination	And required statement.	
Review and Written Approval of Regional Legal Office.	Determines if acquisition would influence environmental assessment of proposed project.	Required if project is not environmentally cleared.

The District is responsible for seeing that the information submitted is accurate and appropriately documents the request; e.g., a doctor's letter or affidavit from employer.

#### 5.03.04.04 Documentation of Files

For each application, the District maintains a file that becomes part of the parcel file upon commencement of acquisition. A parcel diary is initiated when application is made. Care should be taken to ensure that reasons for recommending approval or denial of application are clearly outlined in the diary or file. The date of notification of requirements for RAP eligibility shall be entered following the initial contact with the applicant. The application and other items submitted in support of the hardship are to be retained in the file. (See Section 5.03.04.03.)

The DDD-R/W is responsible for approving or denying each application. Statements of the District's action are made by a signed entry in the parcel diary. The following should be explained and included as part of the entry:

- Basis of decision to accept or deny the application.
- Fact that file has been reviewed prior to approval or denial and that reviewer is familiar with the contents of the file.

#### 5.03.04.05 Notification of Approval or Denial

The Department considers hardship requests to be sensitive since the outcome of a request (approval/denial) could have a significant effect on the applicant. The District must ensure that proper notification is given as follows:

- Request Approved the District notifies the applicant promptly by telephone and makes an entry in the diary.
- Request Denied the District sends a letter to the applicant.

When FHWA approval is required, the telephone notification is made after the FHWA has

authorized an FNM-76 for the subject parcel. The responsibility for implementing this procedure rests with the DDD-R/W in each District.

#### 5.03.04.06 Negotiation Alternatives

If negotiations are unsuccessful, the District should either:

- Consider the merits of an Administrative Settlement.
- Explain the condemnation process to the owner. The Agent should inform the owner that if they wish the State to condemn the property, they should send a letter to that effect. The State will then proceed with an action in eminent domain. If owner wishes, the State could prepare such a letter on owner's behalf (see Exhibit 5-EX-7). A copy of the letter shall be submitted with the District's request for the CTC resolution.
- Withdraw the offer in writing. It is important that all offers of relocation assistance or payments to owners and tenants be formally withdrawn in writing no later than 10 days from the date of the determination not to acquire (see RAP Chapter for procedures to follow in withdrawing RAP offers).

#### 5.03.04.07 Vacation of Property

The contract will require grantors to vacate the property within 120 days from the date of the close of escrow, providing replacement housing is available. See Section 8.09.15.00 of the Acquisition Chapter for appropriate clauses and commentary on application.

## 5.03.05.00 Disposition of Financial Information

The District shall maintain confidentiality of the financial statement and income tax returns and permit only authorized personnel to have access to this information. Authorized personnel are those who process the application and those who make the final decision to approve or disapprove the application. While processing the application, the Agent shall store this information

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JAN 12, 2007

TO: ANDREW SOLHWARTZ 415-552.

FRAM: TERRI BROWN

RE: 85 WATOMA #5

PARE PARE PARING COLER: 4

JAN. 11, 2007

MR. ANDREW Schwartz 396 HAGES ST. S.F. CA 94102 415.552-5816(FAX)

PE: 85 Natour #5: EIR AND TIPA RESTRICTIONS

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DESPERATE TO SUPPOSETY DEFINED RESONE THE DEPOSITION
OF MY PROPERTY DEFINED.

REASE SEND ALL CEQUESTED DOCUMENTS TO.

TEACH PROWN

POFOX 1181

HEREDS BULL , CAGT448

Regards, Tiba

TTEMS: (continued)

Title No. 05-36502507-RV Locate No. CACTI7738-7738-2365-003650250



The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment.

Agency:

San Francisco Redevelopment Agency (Redevelopment Plan for The

Transbay Redevelopment Project Area)

Recorded:

August 4, 2006, Instrument No. 2006-1224836-00, Book J-197, Page 0575, of

Official Records



Matters contained in that certain document entitled "Transbay Redevelopment Project Area Declaration of Restrictions" dated July 28, 2006, executed by Board of Supervisors of the City and County of San Francisco recorded August 4, 2006, Instrument No. 2006-1224839-00, Book J-197, Page 0578, of Official Records.

Reference is hereby made to said document for full particulars.

15. We find various Liens and Judgments, that are of record against persons with similar or the same name as that of our vestee(s) shown herein. In order to complete this report, this Company requires a Statement of Information to be provided for the following vestee(s), which may allow and assist elimination of some or all of said Liens and Judgments. After review of the requested Statement(s) of Information, the Company reserves the right to add additional items or make further requirements prior to the issuance of any Policy of Title Insurance.

Vestee(s):

Terri L. Brown

#### **END OF ITEMS**

Note 1. The name(s) of the buyer(s) furnished with this application for Title Insurance is/are:

(no names furnished)

If these names are incorrect, incomplete or misspelled, please notify the Company.

- Note 2. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
- Note 3. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116.2 indicating that the land includes a condominium designated as Unit No. 5 and known as 85 Natoma Street, #5, San Francisco, CA to an Extended Coverage Policy.
- Note 4. There are NO deeds affecting said land, recorded within twenty-four (24) months of the date of this report.

# SHUTE, MIHALY & WEINBERGER LLP

E. CLEMENT SHUTE, JR. * MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING SENIOR COUNSEL

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MICHELLE WILDE ANDERSON
DOUG A. OBEGI

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

DAVID NAWI OF COUNSEL

February 8, 2007

Terri Brown P.O. Box 1181 Healdsburg, CA 95448

Re: 85 Natoma Street #5

Dear Ms. Brown:

This letter is in response to your letter dated January 12, 2007 and faxed to our office on January 14, 2007 regarding your condominium at 85 Natoma Street #5 and the Transbay Transit Center Program ("the Project"). We respond below to each of the points in your letter.

1. <u>Impacts to Your Parcel Described in the Environmental Impact Report.</u>

You requested that the TJPA provide you with information regarding environmental impacts and mitigation measures described in the Environmental Impact Report (EIR) for Phase I of the Project. In particular, you requested information regarding any impacts or mitigation measures relating to your parcel.

As you will recall, in a telephone call to me around December 12, 2006, you indicated that you were planning to list your condominium for sale with a real estate broker, and you requested information regarding any anticipated impacts of construction and/or operation of the Project on your condominium. I explained that any such impacts are described in detail in the EIR for the Project. I also explained that the ordinances of the City and County of San Francisco's (City) relating to the regulation of construction activities would be applicable to the Project. On December 18, 2006, in a telephone call to me you indicated that you were no longer planning to list your parcel with a sales broker, and thus, you had no need for the information that you previously had requested. On January 12, 2007, in a telephone call to me you indicated that you are now planning

to list your parcel for rent with a broker, and thus renewed your request for information about the Project's impacts.

As you know, the EIR details the environmental impacts of the Project. The draft EIR (DEIR), the final EIR (FEIR), and the mitigation program describing all of the mitigation measures applicable to the Project are available on the TJPA's website: www.transbaycenter.org (select the link to "Documents," then select the link to "Environmental"). In addition, a printed copy of the EIR is available for review in the TJPA offices at 201 Mission Street, Suite 1960 in San Francisco.

The Project's environmental impacts and mitigation measures are analyzed in much too great detail to repeat verbatim here. We direct your attention, however, to FEIR section 5.20 (pages 5-158 to 5-183), which describes the Project construction staging and methods, and FEIR section 5.321 (pages 5-184 to 5-225), which describes the Project's construction impacts. We also point you to the following pages as examples of discussion in the EIR of the Project's impacts on your particular parcel:

- DEIR section 5.2 (pages 5-19 to 5-30) describe the Project's displacement and relocation impacts. Your condominium is described, among other places, on page 5-25.
- FEIR page 5-160 describes temporary street closures during construction, including specific discussion of temporary closures on Natoma Street between 1st and 2nd Streets, which is near your condominium.
- FEIR page 5-163 describes the construction activities associated with tunnel construction, including construction on 2nd Street near your condominium.
- FEIR page 5-169 describes the Project's soil excavation methods based on soil type. In particular, the FEIR explains the construction methods for stiff clays and/or dense sands, which typically underlay property in your area.
- FEIR page 5-180 describes the proposed "construction staging" or contractor work areas for the Project. The FEIR identifies the northeast corner of the Howard Street/Second Street intersection near your condominium as a possible staging area. In addition, FEIR page 5-211 describes the noise impact that may be associated with such staging areas. The FEIR discusses potential noise at the Howard/Second Street staging area.
- FEIR page 5-191 describes the Project's effect on public transit in the vicinity of your condominium. In particular, it describes temporary changes to public transit routes and/or schedules along Mission Street and Second Street.

• FEIR page 5-201 describes on-street parking that would be removed temporarily during construction, including the particular blocks that would be affected.

The EIR is also useful to identify what impacts are not likely to affect your condominium. For example, FEIR pages 5-197 to 5-198 identify existing driveways that may be temporarily affected by Project construction. You will note that your parcel is not identified there. In summary, the EIR provides extensive detail about the impacts that you and any current or prospective tenant/lessee can expect from the Project.

In addition, the City's ordinance regulating construction activities and impacts will apply. You can review these ordinances on the City website: http://www.ci.sf.ca.us/site/government_index.asp#codes (select the link for the "San Francisco Municipal Code Index").

### 2. Notice of Recorded Documents Relating to the Redevelopment Plan.

You state that you were not notified by the City and County of San Francisco that two items were recorded against your parcel relating to the Project. It appears that an item was recorded by the City on August 4, 2006, by instrument No. 2006-I224836-00. The item was recorded in response to City Ordinance No. 124-05 (adopted by the City Board of Supervisors June 21, 2005) and Ordinance No. 99-06 (adopted by the City Board of Supervisors May 9, 2006). It also appears that an item was recorded by the City on August 4, 2006, by instrument No. 2006-I224839-00.

The TJPA is a legally distinct entity from the City and the San Francisco Redevelopment Agency. The TJPA's Board of Directors is not the same as the City's Board of Supervisors. The TJPA was not responsible for recording any documents or providing any notices relating to the Redevelopment Plan. That being said, there are certain notices that are required by state law relating to redevelopment plans, and which were issued in relation to the Transbay Redevelopment Plan.

Under the California Environmental Quality Act, Public Resources Code §§ 21000 et seq., and its implementing regulations, 14 Cal. Code Regs. §§ 14000 et seq., the agency preparing an EIR for a redevelopment plan must issue certain notices and provide certain opportunities for public comment, such as:

- Notice of preparation of EIR;
- Notice of completion of DEIR;
- Public comment on DEIR;
- Notice of public hearing on FEIR;
- Public hearing on FEIR; and
- Notice of determination of approval of the redevelopment plan.

Under the Community Redevelopment Law, Health & Safety Code §§ 33000 et seq., the redevelopment agency and/or the legislative body that will adopt the redevelopment plan must issue certain public notices and provide certain opportunities for public comment, such as:

- Notice of hearing on redevelopment plan to all residents and businesses within a project area;
- Public hearing on redevelopment plan;
- Notice to county recorder of adoption of redevelopment plan;
- Recorded description of parcels within a redevelopment project area.

In addition to the above notices and opportunities for public comment, public notice of meetings of the City and the Redevelopment Agency are regularly posted in advance of such meetings in conformance with the Brown Act, and the City Sunshine Ordinance, where applicable. We do not have any information about specific notices that may have been sent to you. We have no reason to believe, however, that any required notices were not properly issued by the appropriate agencies.

You asked the TJPA to provide you with a copy of one of the items recorded against your property, the Declaration of Restrictions. The TJPA did not prepare or record this document, and it does not have a copy of the document to provide to you. You may order a copy of any document recorded against your parcel, however, from the City Assessor-Recorded by visiting the City's searchable website of recorded documents: http://www.criis.com/sanfrancisco/official.shtml. The City may charge a nominal fee.

You asked the TJPA to explain the effect of the Declaration of Restrictions on your condominium. We cannot advise you as to the legal effect of such recorded documents on your condominium. Nonetheless we note that the recorded document to which you refer is related to the Redevelopment Plan. We are unaware of any "restrictions" on the use, rent, or sale of your condominium imposed by the Redevelopment Plan. To get definitive information as to the effect of the Redevelopment Plan and any related notices or recorded documents on your condominium, you may want to contact the San Francisco Redevelopment Agency and/or retain legal counsel to advise you.

### Request for Early Acquisition of Your Parcel.

On November 21, 2006, we sent you a letter at the TJPA Board's direction requesting more information and documentation regarding your request that the TJPA acquire your condominium earlier than required for the Project. You indicated you would send such information by January 28, 2007. We have not yet received any

correspondence from you in regard to the TJPA's request for additional information and substantiation of your claim.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Andrew W. Schwartz

cc: Maria Ayerdi

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E. CLEMENT SHUTE, JR. . MARK 1. WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER DSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING SENIOR COUNSEL

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DOUG A. OBEGI

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

APRIL 10, 2007

Terri Brown P.O. Box 1181 Healdsburg, CA 95448

Re: 85 Natoma Street #5

Dear Ms. Brown:

Thank you for your letter dated March 30, 2007, which I received by Federal Express on April 9, 2007. Your letter was missing several crucial pieces of information. Before the TJPA Staff can present your request for early acquisition of your property to the TJPA Board of Directors and the TJPA's funding agencies, the TJPA must have the following information:

- 1. State the annual expenses for 85 Natoma #5 for your first and second mortgages (principal and interest, and rates of interest), taxes, insurance, and all landlord expenses, such as utilities, maintenance, and repairs. Please break out each of these expenses. Please provide me with documentation for each of these expenses; e.g., mortgage statements, tax statements, insurance invoices, utility bills, etc.
- 2. The December 26, 2006 letter from real estate broker James Wavro states that the current fair market rent for 85 Natoma #5 is \$6,500-\$7,000. Mr. Wavro states that a tenant would pay this rent if given a 2-3 year lease. Because the TJPA does not plan to acquire your property until after 2010, why can't you lease the property at its fair market rent?
- 3. What is the term of the current lease for 85 Natoma #5? Please provide me with a signed copy of that lease.
- 4. Is your ex partner required by law to contribute to your child's expenses? If so, how much? Are you required by law to support your ex partner?

Terri Brown April 10, 2007 Page 2

- 5. Why have you been unemployed for the past 18 months? Can you find new employment? What was your last employment and what was your income from that employment in the one year before you lost your job?
- 6. Why can't you pay down the mortgage on 85 Natoma #5 with the equity in your Healdsburg residence and move into 85 Natoma #5 as your primary residence?
- 7. Your previous tenant, Echopass Corp., moved out "due to impending disruptions resulting from the Project." What disruptions are you referring to?

The sooner you can provide this information the better. Thank you for your cooperation.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Andrew W. Schwartz

cc: Maria Ayerdi

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E. CLEMENT SHUTE, JR. * MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER. ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

April 24, 2007

Terri Brown P.O. Box 1181 Healdsburg, CA 95448

Re: 85 Natoma Street #5

Dear Ms. Brown:

I am writing in response to the voicemail message you left for my colleague, Andrew Schwartz, yesterday, April 23, 2007. Mr. Schwartz wanted to make sure you received a prompt reply, but was occupied with other pressing matters, and so asked me to respond on his behalf.

In your message, you asked why the TJPA needed a response to two of the questions posed in Mr. Schwartz's April 10, 2007 letter to you. In particular, Mr. Schwartz had asked:

- (a) Why have you been unemployed for the past 18 months? Can you find new employment? What was your last employment and what was your income from that employment in the one year before you lost your job?
- (b) Why can't you pay down the mortgage on 85 Natoma #5 with the equity in your Healdsburg residence and move into 85 Natoma #5?

The sole purpose of these questions, along with the other five questions included in the April 10 letter to you, is to gather enough information for the TJPA Board of Directors to determine whether your situation meets the minimal requirements under the law for a "hardship request" for early acquisition of your property. According to the rules and regulations governing the TJPA's acquisition of property for the Transbay Transit Center Program, the TJPA and the other government agencies that fund the Transbay Program can only approve your hardship request if you can provide them with

Terri Brown April 24, 2007 Page 2

documentation that the following four conditions are met: (1) you (the property owner) need to dispose of the property; (2) you are unable to dispose of the property at fair market value because of the TJPA's transportation facility plans; (3) you cannot reasonably alleviate the hardship in the absence of the TJPA's purchase of the property; and (4) the TJPA's purchase will either partially or totally alleviate the hardship.

The questions regarding your employment history and your ability to pay down the mortgage on 85 Natoma #5 with equity from your other real estate holdings are relevant to the third inquiry: whether you can reasonably alleviate your hardship on your own (that is, in the absence of TJPA's purchase of your property) by finding new employment or restructuring your investments. We understand that these are sensitive questions, but we can assure you that your responses will be treated in a confidential manner. Moreover, we are not suggesting that you take any particular action (such as selling your Healdsburg residence and moving back to 85 Natoma #5). We are just asking for additional information that is necessary for the TJPA and its funding agencies to make its determination as to whether you qualify for early acquisition. When we present your application for early acquisition of your property to the TJPA Board of Directors and the TJPA's funding agencies, we must be prepared to explain why you cannot alleviate your alleged financial hardship by starting a new job or selling one of your three properties.

I hope this letter answers your remaining questions. Mr. Schwartz and I are very sorry for your recent loss. To help you with your financial situation, however, we must present a complete, accurate, and fair picture of your financial circumstances to the TJPA and its funding agencies. Again, the sooner we receive the additional information requested in Mr. Schwartz's April 10 letter, the sooner TJPA staff can bring your request before the Board of Directors.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

E. CLEMENT SHUTE, JR. * MARK I. WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA'S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH, L. KEETH WINTER KING *SENIOR COUNSEL

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

May 14, 2007

Terri Brown P.O. Box 1181 Healdsburg, CA 95448

Re:

85 Natoma Street #5

Dear Ms. Brown:

I received your May 8, 2007 letter, providing additional information in support of your request for early acquisition of your property by the Transbay Joint Powers Authority ("TJPA"). This information, together with the information submitted with your letter dated March 30, 2007, and the information submitted by your accountant, will assist the TJPA Board in determining whether your situation meets the requirements for a "hardship request" for early acquisition. After reviewing your letters, we identified a few important pieces of information that we still need in order to present your request to the Board.

- 1. What were your living expenses, other than your mortgages and car lease, in 2006?
- 2. How much monetary support did you provide for your daughter in 2006?
- 3. Does your rental agreement for 85 Natoma #5 include the parking space, or do you rent that separately? If you'rent the parking space separately, how much income do you receive for that rental?
- 4. Please provide us with the actual amount of income taxes you paid for 2006. In your March 30 letter, you provided us with an estimate, which appears to be high in relation to your income.
- 5. Please provide us with a signed copy of your lease for 85 Natoma #5.
- 6. Is it your position that you cannot earn income from a new business without access to the capital tied up in 85 Natoma #5? If so, please explain the capital investment needs of your proposed new business.

Terri Brown May 14, 2007 Page 2

The information requested by all six questions is necessary to present an accurate statement of your finances to the Board.

As soon as we receive this information, we will present your request to the Board of Directors.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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ATTORNEYS AT LAW

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WWW.SMWLAW.COM

### FAX COVER SHEET

Date Sent:	May 24, 2007		Client:	TJPA.1
Number of Pages: (including cover sheet)	3		Sent By:	
Original to Follow:	No	•	Time Sent:	
		•	· · · · · · · · · · · · · · · · · · ·	
<u>TO:</u>				
Terri Brown		Fax:	(707) 837-908	3
		•		÷
FROM:	N.		•	, ,
Winter King		Phone: Fax:	415/552-7272 415/552-5816	

#### MESSAGE:

Dear Ms. Brown,

Attached please find two forms designed to help you provide us with information necessary for the TJPA Board to evaluate your early acquisition request. The TJPA Board meets regularly on the third Thursday of each month at 9:00 am in San Francisco City Hall, Room 416, 1 Carlton B. Goodlett Place. The only agency that will review your request for early acquisition is the TJPA Board. In response to your additional questions about other properties that have been or will be acquired for the Transbay Terminal Project, the TJPA has, to date, only acquired one: 80 Natoma. The TJPA acquired this property pursuant to the settlement of a lawsuit for approximately \$36 million. To see a list of other properties to be acquired and the priority of acquisition, please see the EIR for the project, which is available online at <a href="http://sfgov.org/site/frame.asp?u=http://www.transbaycenter.org">http://sfgov.org/site/frame.asp?u=http://www.transbaycenter.org</a>. Although I recognize that you do not have internet access, many public libraries, coffee shops, and other establishments provide this service.

Winter King

### Request for Early Acquisition Due to Hardship

### **Description of Current Business Venture**

You have explained to us that you need to sell 85 Natoma #5 in part in order to finance a new business venture. Please provide us with an estimate of the total amount of capital required to start this new business and a one paragraph description of what that capital is needed for (e.g., renovation of buildings, developing vineyards, paying employees, carrying costs, etc.).

Estimated capital required:					
				•	
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	•				
Please also provide us with your ture the next three years, a your projection.					
your projection.					
Estimated net income:					
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					***************************************
				•	
			· .		
I, Terri Brown, certify that the	e abov	e estimat	es are acc	curate and co	rrect.
	•				
Date				Signatur	е

### Request for Early Acquisition Due to Hardship

### Living Expenses

Please provide us with an estimate of your average monthly living expenses during 2006 for <u>yourself and your daughter</u>.

Expense	Average
	Monthly
	Amount
Medical/Dental Expenses (including health insurance,	
dental insurance, copays, medication, etc.)	
Schooling (including supplies, tuition, lessons, etc.)	
Food	
Utilities	
Clothing	
Entertainment	
Travel	
Miscellaneous/Incidentals	
Total	·
you may do so as well.  If you anticipate any significant change in your living explease explain on the lines below:	penses in the future,
proabe explain on the inter-	
I, Terri Brown, certify that the above estimates are accura	ate and correct.
I, Terri Brown, certify that the above estimates are accurately that	ate and correct.  Signature

#### MEMORY TRANSMISSION REPORT

PAGE : 001

inas, ana iki Bunana kan iki ikin ma, tata kanape sakami iki te wimatahadi berbaar daari ana adala maara ara-aka saw

TIME : 05-24-2007 02:56PM

TEL NUMBER1: +4155525816 TEL NUMBER2: 000-000-0000

NAME : Shute, Mihaly & Weinberger LLP.

FILE NUMBER

045

DATE

05-24 02:54PM

TO

: **\$**17078379083-145

DOCUMENT PAGES

003

START TIME

05-24 02:54PM

END TIME

05-24 02:56PM

SENT PAGES

003

STATUS

OK

FILE NUMBER

: 045

*** SUCCESSFUL TX NOTICE ***

### SHUTE, MIHALY & WEINBERGER LLP

396 hayes street Ban Francisco, California 94 i 02 Telephone (4 i 3) 552-7272 Facsimile (4 i 3) 552-56 i d Www.shwlaw.com

#### FAX COVER SHEET

Date Sent:

May 24, 2007

Client:

TJPA.1

Number of Pages:

Original to Follow:

Sent By:

TQ:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

41*5/55*2-7272 Ext:

c: 41*5/55*2–581*6* 

#### MESSAGE:

Dear Ms. Brown, Attached please find two forms designed to help you provide us with information necessary for the TIPA Board to evaluate your early acquisition request. The TIPA Board meets regularly on the third Thursday of each month at 9:00 am in San Francisco City Hall, Room 416, I Cariton B. Goodlett Place. The only agency that will review your request for early acquisition is the TIPA Board. In response to your additional questions about other properties that have been or will be acquired for the Transbay Terminal Project, the TIPA has, to date, only acquired one: 80 Natoma. The TIPA acquired this property pursuant to the settlement of a lawsuit for approximately \$36 million. To see a list of other properties to be acquired and the priority of acquisition, please see the BIR for the project, which is available online at http://sfsov.org/site/frame.asp?u-http://www.transbaycenter.org. Although I recognize that you do not have internet access, many public libraries, coffee shops, and other establishments provide this service.

Winter King

If there are any problems or questions related to this fac, please call our Receptionist at 415/552-7272

ATTORNEYS AT LAW

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LAUREL L. IMPETT, AICP CARMEN J. BORG. AICP URBAN PLANNERS

August 8, 2007

Terri Brown P.O. Box 1181 Healdsburg, CA 95448

Re:

85 Natoma Street #5 - Early Acquisition Request

Dear Ms. Brown:

I am writing to inquire about the status of your request for early acquisition of 85 Natoma Street #5 by the Transbay Joint Powers Authority ("TJPA"). We last spoke about your request in May, and on May 24, 2007, I faxed you two forms specifying the remaining information we need to present your request to the TJPA Board of Directors. I have not yet received these forms back from you. From our last conversation, I understand that you have many demands on your time these days. However, I wanted to reiterate that the sooner we receive this information from you, the sooner we can present your request to the Board of Directors.

Very truly yours,

LARC

SHUTE, MIHALY & WEINBERGER LLP

Winter King

[P:\TJPA\ROW\85 Natoma\No5\wk004(Letter to T. Brown 8-08-07).doc]

E, CLEMENT SHUTE, JR. MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S, GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING KEVIN P. BUNDY

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

February 27, 2008

Via U.S. Mail

SENIOR COUNSEL

Terri Brown 958 Sanchez St. San Francisco, CA 94114

Re: 85 Natoma #5

Dear Ms. Brown,

I am writing in response to your request, left by voicemail on February 21, that I send you a clean copy of the Personal Financial Statement form you filled out in March 2007 in support of your request for early acquisition of your property by the Transbay Joint Powers Authority ("TJPA"). It is my understanding that you wish to update the information presented to the TJPA in the past in order to renew your request for early acquisition due to financial hardship. However, as you may recall, the information required by TJPA and provided by you goes beyond just that contained in the Personal Financial Statement form, and thus any change in your circumstances requires that you update all relevant information that you have provided to the TJPA. Moreover, at the time of our last conversation about your request, there was still some essential information that you had not yet provided to us. Thus, to avoid any confusion about the information necessary for the TJPA to process your early acquisition request, I am including below a summary of the information requested by the TJPA and provided by you over the last two years, and enclosing copies of our correspondence.

Given the amount of time that has passed since your last submission (over nine months), please review the information you have submitted to us and update that information as necessary. Please also provide us with the additional information we requested in our May 14, 2007 letter by completing the enclosed forms (entitled "Living Expenses" and "Descriptions of Current Business Venture"), providing us with a signed

Terri Brown February 27, 2008 Page 2

copy of the current lease for the property, and indicating whether you rent the parking space separately from the unit. If you rent the parking space separately, please also enclose a signed copy of the parking space lease. Per your request, I am also enclosing a clean copy of the Personal Financial Statement form, which you originally submitted in March 2007.

#### Summary of correspondence:

- In September, 2006, the TJPA received your request, made by your attorney William J. Turner, for early acquisition of your property based on your financial hardship.
- Our firm responded to your request by letter dated November 14, 2006. In this
  letter, we described the criteria pursuant to which the TJPA could grant a hardship
  request for early acquisition and asked you to provide information sufficient to
  demonstrate that your situation satisfies these criteria. In particular, we asked you
  to "please provide us with pertinent information and supporting documentation,
  such as:
  - Financial information supporting any claimed need to dispose of the property based on financial hardship (sample Caltrans financial statement indicating the required level of detail enclosed for your reference);
  - o Doctor's statement or equivalent supporting any claimed need to dispose of the property based on medical need;
  - Verification from employer or equivalent supporting any claimed need to dispose of the property based on change of employment location;
  - o Copies of real estate listings or other, similar documentation indicating your client's effort to rent or sell the parcel;
  - Letter(s) from a real estate broker or other, similar professional supporting any claimed inability to rent or sell the parcel at fair market value over the next five years;
  - Evidence supporting the claimed fair market rent and/or sale value of the parcel.
  - Evidence supporting any claim of inability to sell or rent the property at fair market value/rent."
- On April 9, 2007, we received a letter from you (dated March 30, 2007) providing financial and other information in support of your hardship request.
- On April 10, 2007, we notified you that the information you provided was not sufficient, and that TJPA would need additional information to process your request. In particular, we stated that "the TJPA must have the following information:
  - o State the annual expenses for 85 Natoma #5 for your first and second mortgages (principal and interest, and rates of interest), taxes, insurance,

- and all landlord expenses, such as utilities, maintenance, and repairs. Please break out each of these expenses. Please provide me with documentation for each of these expenses; e.g., mortgage statements, tax statements, insurance invoices, utility bills, etc.
- The December 26, 2006 letter from real estate broker James Wavro states that the current fair market rent for 85 Natoma #5 is \$6,500-\$7,000. Mr. Wavro states that a tenant would pay this rent if given a 2-3 year lease. Because the TJPA does not plan to acquire your property until after 2010, why can't you lease the property at its fair market rent?
- What is the term of the current lease for 85 Natoma #5? Please provide me with a signed copy of that lease.
- o Is your ex partner required by law to contribute to your child's expenses? If so, how much? Are you required by law to support your ex partner?
- Why have you been unemployed for the past 18 months? Can you find new employment? What was your last employment and what was your income from that employment in the one year before you lost your job?
- Why can't you pay down the mortgage on 85 Natoma #5 with the equity in your Healdsburg residence and move into 85 Natoma #5 as your primary residence?
- O Your previous tenant, Echopass Corp., moved out "due to impending disruptions resulting from the Project." What disruptions are you referring to?"
- On April 23, 2007, you left a voicemail for Andrew Schwartz, asking why the TJPA needed this additional information. On April 24, 2007, we responded by letter, explaining that this information is necessary to show that your circumstances meet the criteria for early acquisition due to financial hardship.
- We subsequently received a letter dated April 27, 2007 from your accountant,
   Patrick P. Paquette, which included additional information about your mortgage,
   property taxes, and rental income received.
- By letter dated May 8, 2007, you provided us with some additional information in response to our April 10, 2007 letter.
- On May 14, we wrote to you again, noting that the information in your May 8, 2007 letter, "together with the information submitted with your letter dated March 30, 2007, and the information submitted by your accountant, will assist the TJPA Board in determining whether your situation meets the requirements for a 'hardship request' for early acquisition." However, "after reviewing your letters, we identified a few important pieces of information that we still need in order to present your request to the Board.
  - o What were your living expenses, other than your mortgages and car lease, in 2006?
  - o How much monetary support did you provide for your daughter in 2006?

Terri Brown February 27, 2008 Page 4

- O Does your rental agreement for 85 Natoma #5 include the parking space, or do you rent that separately? If you rent the parking space separately, how much income do you receive for that rental?
- O Please provide us with the actual amount of income taxes you paid for 2006. In your March 30 letter, you provided us with an estimate, which appears to be high in relation to your income.
- o Please provide us with a signed copy of your lease for 85 Natoma #5.
- o Is it your position that you cannot earn income from a new business without access to the capital tied up in 85 Natoma #5? If so, please explain the capital investment needs of your proposed new business."
- Shortly after we sent you this letter, you and I spoke over the phone. You asked us to provide you with additional forms to fill out to ensure that your response to these questions would provide the information we were seeking. During this call, I reiterated that we needed a signed copy of the current lease for the property. You informed me that the lease was at your sister's house, but that you would obtain a copy for us. On May 24, 2007, I faxed you the additional forms you had requested.
- On August 8, 2007, we wrote you to inquire about the status of your early acquisition request, as we had not yet received either a copy of the lease or completed copies of the additional forms. We did not receive any response from you to this letter.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

Enclosures

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FORMS

# STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION PERSONAL FINANCIAL STATEMENT (Form #)

EXHIBIT 5-EX-10 PAGE 1 OF 3

PERSONAL INFORMATION NOTICE

Pursuant to the Federal Privacy Act (P.L. 93-579) and the Information Practice of 1977 (Civil Code Sections 1798, et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principal purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.24 of the IPA of 1977. Each individual has the right upon request and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular. Direct any inquiries on information maintenance to your IPA Office.

	As	of	, 19	•	
NameA	ge Em	ployed by _		Years	•
AddressO				r .	
TO: Department of Transportation	·			•	
California					
The undersigned, for the purp property under the hardship				ition of my transporta	tion-affected
SSETS		DOLLARS	LIABILITIES (TOTA	AL AMOUNT DUE)	DOLLARS
CHECKING ACCOUNTS			ACCOUNTS PAYABLE (I PURCHASES	NSTALLMENT	
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STOCKS AND BONDS (SCHEDULE B)			NOTES PAYABLE		
NOTES RECEIVABLE-GOOD			1		
CASH SURRENDER VALUE LIFE INSU	RANCE		2.		
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(Year-Make) (Year-Mak	e)		CONTRACTS PAYABLE		
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OTHER ASSETS (DESCRIBE)		***************************************	REAL ESTATE INDEBTE	DNESS	
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	-		3		
TOTAL ASSETS			TOTAL LIABILIT	TES	
LESS TOTAL LIABILITIES NET WORTH					

# PERSONAL FINANCIAL STATEMENT (Cont.) (Form #)

EXHIBIT 5-EX-10 PAGE 2 OF 3

ASSETS		ANNUAL EXPENDITURES (EXCLUDING ORDINARY LIVING EXPENSES)	DOLLARS
SALARY		REAL ESTATE PAYMENT(S)	ļ
SALARY (SPOUSE)	•	RENT	<u> </u>
DIVIDEND INCOME		INCOME TAXES	
GROSS RENTAL INCOME	<u> </u>	INSURANCE PREMIUMS	<u> </u>
OTHER (DESCRIBE)		PROPERTY TAXES	
1.		OTHER (DESCRIBE-INCLUDE INSTALLMENT	
2		PAYMENTS OTHER THAN REAL ESTATE)	
3.		1.	
4.	,	2.	
5		3.	
6		4	<u>                                     </u>
7.		5.	<u> </u>
TOTAL INCOME		TOTAL EXPENDITURES	
LESS TOTAL EXPENDITURES			
NET CASH INCOME			
(EXCLUSIVE OF ORDINARY LIVING			
EXPENSES)			

^{*} If insurance premiums and property taxes are included in real estate payment do not duplicate here,

# PERSONAL FINANCIAL STATEMENT (Cont.) (Form #)

EXHIBIT 5-EX-10 PAGE 3 OF 3

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SCHEDULE A-SAVINGS					
Savings Institution and Address			•	AMOUNT	
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SCHEDULE B-STOCKS AND BONDS					
Number of Shares Amount of Bonds	·	Description	•	Current	Value
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TOTAL (ENTER ON FRONT PAGE)					<del>7-00-110</del>
SCHEDULE C-REAL ESTATE					
Location and Type of Improvement Title		Estimated Value	Amount Owed		Vhom able
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If additional space is needed for Schedule A, Schedule B, and/or	Schedule C, li	ist on separate s	heet and attach		
		lieu thereof, to and supporting give a full, tru	he attached sta g schedules, b ne, and correct	at the above state tement, as the ca e they printed an statement of the I as of the date in	se may be) d written, financial
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#### 5.03.00.00 - HARDSHIP

#### 5.03.01.00 General

Hardship is defined as a situation where unusual personal circumstances of an owner are aggravated by a proposed transportation facility and cannot be solved by the owner without acquisition by the State. There are two types of hardships:

- Those which occur in advance of the regular right of way acquisition process.
- Those which occur when the requirements for commencing the regular right of way acquisition process have been met, but funding and activity on the project have been deferred.

The Districts are authorized to approve both types of parcels for hardship acquisition.

Departmental practice is to investigate to determine need and to appraise and acquire the property with minimal delay. In some instances this may require extraordinary efforts such as obtaining independent staff appraisals. Owners of hardship parcels should receive full consideration and service consistent with normal acquisition procedures, including appropriate relocation assistance and sufficient time to consider State's offer. The District shall make the first written offer to the applicant within 90 days from the date of the DDD-R/W's approval letter or the Federal authorization if requested.

#### 5.03.02.00 RAP Eligibility

The District should notify the applicant in writing of the requirements for RAP eligibility when the hardship investigation commences. If the hardship application is not approved, the applicant should be informed of benefits that will be lost if applicant vacates prior to regular acquisition (first written offer). (See Exhibit 5-EX-04.) At the same time, it is important to ensure that double relocation payments are not made and Federal reimbursement is not lost. In line with this intent, if an application is approved and the applicant is forced to move prior to the time a written offer can be presented, the District must mail a Notice of Acquire Intent to

preserve relocation eligibility. (See Forms RW 06-11, 13, and 14.) This letter should not be mailed until after approval of the hardship acquisition and should not be issued unless initiation of negotiations will commence less than 90 days subsequent to said Notice. This action will preserve the relocation eligibility of applicants and will avoid the possibility of creating more than one eligible relocatee.

#### 5.03.03.00 Cessation of Hardship

If it determines that a hardship no longer exists, the Acquisition Branch must immediately withdraw any outstanding offer to purchase and advise the owner of the right to appeal the case to the District Hardship Appeals Board. (See Sections 5.03.06.00 through 5.03.06.03.)

# 5.03.04.00 Guidelines for Processing Requests

#### 5.03.04.01 Hardship Criteria

The following minimal requirements must be met and documented if a hardship request is approved:

- Owner demonstrates need to dispose of property.
- Owner is unable to dispose of property at fair market value because of transportation facility plans.
- Owner cannot reasonably alleviate the hardship in the absence of the State's purchase.
- State's purchase will either partially or totally alleviate the hardship.

Inconveniences experienced by all or most owners along a route are not satisfactory reasons for hardship purchase (for example, an owner's simple desire to move to another area).

#### 5.03.04.02 Need to Dispose of Property

Some of the reasons that may require an owner to sell immediately and that can result in a

· · · · · · · · · · · · · · · · · · ·	SUBMITTAL ITEMS - HARDSHIP A	THEATION
Item	Explanation	Circumstance
Written Request or Statement	Outlining the reasons why owner(s) must sell the property at this time.	
Application	Completed and signed by owner(s). See Exhibit 5-EX-3.	anima il manima periase menerali di Alam dan
Financial Statement	See Exhibit 5-EX-10 or 5-EX-11	Not required (at the District's discretion) if the hardship request is due to medical problems, job transfer, advanced age, or retirement move.
Market Substantiation	Evidence of reasonable attempt to market the property:  Copy of valid listing.  Statement from a broker citing reasons the property has not or cannot be sold.  Evidence or information obtained by the District.	If there have been other unsuccessful attempts to sell the property on the project at fair market value, listing the property is not required. The District should state in its recommendation that the property cannot be sold at fair market value because of the proposed project.
Income Tax Authorization	Signed authorization to obtain a copy of Federal and State income tax returns (Exhibits 5-EX-5 and 5-EX-6). The District secures copies of the latest tax returns if additional documentation is needed.	Optional if the District is satisfied with all the financial information submitted by applicant.
Doctor's Statement or Equivalent		Required if hardship request is based on a medical reason.
Verification from Employer		Required if hardship request is based on a transfer of employment.
Index Map and Plat Map	Showing affected parcel in relation to project right of way. Maps should be 11"x17" if possible.	
FNM-76	Copy of the request for Federal participation if applicable.	
Hazardous Waste Statement	Describing potential of hazardous waste at the property, if any.	
District Approval Letter		
Categorical Exemption/ Exclusion Determination	And required statement.	
Review and Written Approval of Regional Legal Office.	Determines if acquisition would influence environmental assessment of proposed project.	Required if project is not environmentally cleared.

The District is responsible for seeing that the information submitted is accurate and appropriately documents the request; e.g., a doctor's letter or affidavit from employer.

#### 5.03.04.04 Documentation of Files

For each application, the District maintains a file that becomes part of the parcel file upon commencement of acquisition. A parcel diary is initiated when application is made. Care should be taken to ensure that reasons for recommending approval or denial of application are clearly outlined in the diary or file. The date of notification of requirements for RAP eligibility shall be entered following the initial contact with the applicant. The application and other items submitted in support of the hardship are to be retained in the file. (See Section 5.03.04.03.)

The DDD-R/W is responsible for approving or denying each application. Statements of the District's action are made by a signed entry in the parcel diary. The following should be explained and included as part of the entry:

- Basis of decision to accept or deny the application.
- Fact that file has been reviewed prior to approval or denial and that reviewer is familiar with the contents of the file.

#### 5.03.04.05 Notification of Approval or Denial

The Department considers hardship requests to be sensitive since the outcome of a request (approval/denial) could have a significant effect on the applicant. The District must ensure that proper notification is given as follows:

- Request Approved the District notifies the applicant promptly by telephone and makes an entry in the diary.
- Request Denied the District sends a letter to the applicant.

When FHWA approval is required, the telephone notification is made after the FHWA has

authorized an FNM-76 for the subject parcel. The responsibility for implementing this procedure rests with the DDD-R/W in each District.

#### 5.03.04.06 Negotiation Alternatives

If negotiations are unsuccessful, the District should either:

- Consider the merits of an Administrative Settlement.
- Explain the condemnation process to the owner. The Agent should inform the owner that if they wish the State to condemn the property, they should send a letter to that effect. The State will then proceed with an action in eminent domain. If owner wishes, the State could prepare such a letter on owner's behalf (see Exhibit 5-EX-7). A copy of the letter shall be submitted with the District's request for the CTC resolution.
- Withdraw the offer in writing. It is important that all offers of relocation assistance or payments to owners and tenants be formally withdrawn in writing no later than 10 days from the date of the determination not to acquire (see RAP Chapter for procedures to follow in withdrawing RAP offers).

#### 5.03.04.07 Vacation of Property

The contract will require grantors to vacate the property within 120 days from the date of the close of escrow, providing replacement housing is available. See Section 8.09.15.00 of the Acquisition Chapter for appropriate clauses and commentary on application.

## 5.03.05.00 Disposition of Financial Information

The District shall maintain confidentiality of the financial statement and income tax returns and permit only authorized personnel to have access to this information. Authorized personnel are those who process the application and those who make the final decision to approve or disapprove the application. While processing the application, the Agent shall store this information

# Request for Early Acquisition Due to Hardship

### Living Expenses

Please provide us with an estimate of your average monthly living expenses during 2007 for yourself and your daughter.

Expense		
· · · · · · · · · · · · · · · · · · ·		Average
	and the second of the second o	Monthly
		Amount
Medical/Dental Expenses (including hea	alth insurance,	
dental insurance, copays, medication, et	c.)	
Schooling (including supplies, tuition, le	essons, etc.)	
Food		
Utilities		
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Miscellaneous/Incidentals		
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please explain on the lines below:	imates are accurat	enses in the future

## Request for Early Acquisition Due to Hardship

### **Description of Current Business Venture**

You have explained to us that you need to sell 85 Natoma #5 in part in order to finance a new business venture. Please provide us with an estimate of the total amount of capital required to start this new business and a one paragraph description of what that capital is needed for (e.g., renovation of buildings, developing vineyards, paying employees, carrying costs, etc.).

Estimated capital required	•		•	· -
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Please also provide us wit venture the next three year	h your projers, and a one	ected net income e paragraph expl	anation of the b	ess asis for
your projection.				
Estimated net income:				
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I, Terri Brown, certify tha	t the above	estimates are ac	curate and corre	ect.
Date			Signature	<u> </u>

CORRESPONDENCE

E. CLEMENT SHUTE, JR . MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING KEVIN P. BUNDY *SENIOR COUNSEL

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HEATHER M. MINNER
ERIN B. CHALMERS
KRISTIN B. BURFORD

LAUREL L. IMPETT, AICP CARMEN J. BORG; AICP URBAN PLANNERS

February 9, 2009

#### Via Facsimile & U.S. Mail

Terri Brown
Ingear Investments
24849 Summerhill Avenue
Los Altos, 94024
Fax: (707) 837-9083

Re: 85 Natoma #5, San Francisco, CA

Dear Ms. Brown:

As you requested in your letters dated February 5 and 7, 2009, we are writing to confirm that we have received your January 26 and February 4, 2009 correspondence regarding your request for early acquisition of 85 Natoma #5 from the Transbay Joint Powers Authority ("TJPA") due to financial hardship.

In your February 4 letter, you state that you are depending on "the immediate acquisition of 85 Natoma to avoid defaulting" on the loan for your Chalk Hill property. However, because we did not receive all of the information the TJPA required to evaluate your request for early acquisition in 2007, and because so much time has elapsed since you last submitted information to the TJPA (the last time we received any information from you was in May 2007, more than 19 months ago), we will need to review the information that you provided in 2007 and in your recent letters to determine whether the information we have as to your financial circumstances is complete and up to date. If it is, we will request that the TJPA staff present your request to the TJPA Board of Directors. The next Board meeting is not until March 12, 2009.

Terri Brown February 9, 2009 Page 2

If your information is not up to date — and from your letter it appears that it is not — you will need to provide the TJPA with up to date information before we can present your request to the TJPA Board of Directors. We must inform you that, even if you were to provide complete and up to date information and the TJPA staff were to complete its evaluation and staff report in time for the Board hearing on March 12, 2009 (staff submissions to the Board are due a week before the hearing), and even if the Board were to grant your request for early acquisition, the TJPA would still need to arrange for funding of the purchase with its funding agencies. Given these factors, please be aware that a purchase could not be completed until at least April 2009. If you are counting on the TJPA purchasing your property immediately to pay your debts, you may wish to make alternative arrangements.

We will be contacting you shortly to identify the information and documentation that you should provide to complete and update your request for early acquisition.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King King / het

[P:\TJPA\net001 (letter to T. Brown re 85 Natoma).docx]

### Transmit Confirmation Report **

SHUTE MIHALY WEINBERGE Fax: 415-552-5816

Feb 9 2009 04:20pm

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# SHUTE, MIHALY & WEINBERGER LLP

ATTORNEYS AT LAW

398 hayes street San Francisco. California 94102 Telephone (415) 552-7272 FACSIMILE (415) 552-5816 WWW.SMWLAW.COM

### FAX COVER SHEET

Date Sent:

February 9, 2009

Client:

TPA.I

Number of Pages: (including cover sheet)

Sent By:

Original to Follow: Via U.S. Mail

Time Sent:

4:15 pm

TO:

Terri Brown

Fax:

707.837.9083

FROM:

Winter King

Phone:

415/552-7272 Ext: 237

Fax:

415/552-5816

MESSAGE:

# SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

E. CLEMENT SHUTE, JR. MARK I. WEINBERGER (1948-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER' GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING KEVIN P. BUNDY

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

February 19, 2009

Via Facsimile & U.S. Mail

Terri Brown
Ingear Investments
24849 Summerhill Avenue
Los Altos, 94024
Fax: (707) 837-9083

Re: 85 Natoma #5, San Francisco, CA

Dear Ms. Brown:

I am writing in response to your letter, faxed to me on February 17, 2009, stating that you assume we "have everything [we] need to complete the ROW acquisition by the March 12, 2009 [sic]." As I wrote before, we are currently reviewing the information you submitted to determine what additional information we may need to present your request to the Board. We are trying to be as expeditious as possible in getting back to you, but also wish to be thorough in this review so that we may present you with one comprehensive list of all information we still need. Please keep in mind that we are asking you for this information not to impede your request but to ensure that, once we present your request to the Board, the Board will have sufficient information to act on it.

As we move through the TJPA's early acquisition process, I want you to be clear on the timing of any purchase of your property by the TJPA. Under the TJPA's current plans, the TJPA would not purchase your property until 2012 or later. As we previously informed you, the TJPA may consider an early purchase of your property if you can establish a financial or other hardship.

Terri Brown February 19, 2009 Page 2

Even if the Board of Directors of the TJPA approves your request for a hardship early acquisition, however, the TJPA, as a public agency, is subject to other legal requirements before it can complete the purchase. Following the Board's approval, if any, the TJPA would be legally required to obtain two appraisals of your property. The appraisals will have to be reviewed by the TJPA's review appraiser for compliance with state and federal law. If the review appraiser approves the appraisals and recommends one, because the Transbay Project is receiving federal funds the TJPA would then be required to seek the Federal Transportation Administration's (FTA's) concurrence with that recommendation. For property the TJPA has already acquired through this process, FTA concurrence alone has taken from six weeks to several months.

If the FTA concurs with the reviewer's recommendation, then the TJPA could make you an offer to buy your property. If the parties can agree on a purchase price, the TJPA would then need to obtain funding for the purchase from its funding agencies. Escrow would not close on a purchase until all title and other contingencies have been removed. Under this process, a closing on the purchase of your property would take at least several months following TJPA Board approval, if any.

Very truly yours,

LAKS

SHUTE, MIHALY & WEINBERGER LLP

Winter King

[P:\TJPA\net003 (letter to T. Brown re 85 Natoma).docx]

### ** Transmit Confirmation Report **

P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816 Feb 19 2009 09:39am

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### SHUTH, MIHALY & WEINBERGER LLP

ATTORNEYS AT LAW

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FACSIMILE (415) 552-5818

WWW.SMWLAW.COM

#### FAX COVER SHEET

Date Sent:

February 19, 2009

Client:

TJPA.1

Number of Pages: (including cover sheet)

_3__

Sent By:

het

Original to Follow: Via U.S.Mail

Time Sent:

9:32 am

TO:

Terri Brown

Fax:

707.837.9083

FROM:

Winter King

Phone:

415/552-7272 Ext: 237

Fax:

415/552-5816

MESSAGE:

# SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

E. CLEMENT SHUTE, JR.* MARK I. WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING KEVIN P. BUNDY SENIOR COUNSEL

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KRISTIN B. BURFORD

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

February 23, 2009

### Via Facsimile and U.S. Mail

Terri Brown Ingear Investments 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: 707.837.9083

Re: 85 Natoma #5

Dear Ms. Brown:

We have reviewed the information you submitted to us on February 4, 2009 in support of your request for early acquisition of your property by the Transbay Joint Powers Authority ("TJPA"). This information supplements and updates the information you have submitted to us in the past. However, as we indicated in our previous correspondence with you, several pieces of information are still necessary for the TJPA Board to make a determination on your hardship request. We have asked for this information in our past letters to you, but either we have not received it or the information we have received has become outdated. If we receive this information from you by March 2, 2009, we will be able to present your request to the Board at its next meeting on March 12, 2009.

1. In our November 14, 2006 letter to you, we indicated that we needed documents supporting your claimed inability to sell or rent your property at the fair market value. You provided us with a letter from your real estate broker stating that it was not possible to sell the property. You also provided us with a letter from James Wavro stating that the market rate rent for your unit was \$6,500-\$7,000, provided the tenant could obtain a two- to three-year lease. In our April 10, 2007

letter to you, we asked why it would not be possible to enter a market-rate, two- to three-year lease, given that the TJPA would not acquire your property for at least another three years. You did not respond to that question. Your most recent submission indicates that your current tenant is paying \$7,000 per month for a one-year lease ending in March. To determine whether you are able to rent the unit at fair market value, we need to know the following:

- a. Is \$7,000 per month the current fair market rental value for your property? If not, please provide us with some documentation to support what the current fair market rental value of the property is.
- b. Your current lease expires at the end of March 2009. Will your tenant stay on after the lease expires? If not, do you have another tenant for the property after your current tenant vacates? What will the rent be for the next lease term, if known?
- c. Given that the TJPA does not plan to acquire your property until 2012, at the earliest, why can't you find a tenant to pay market rate for a 2-3 year lease?
- d. If you are claiming that you cannot find a tenant to rent your property at fair market rental value, please explain why not and submit evidence to support your explanation.
- e. It appears from the information you have submitted that, even when receiving \$7,000 per month in rent, your cash flow from 85 Natoma #5 is negative. If you assert that the fair market rental value of the property is greater than \$7,000 per month, please explain whether your cash flow would be positive if you received the asserted fair market rental value. Also please explain whether your cash flow from 85 Natoma #5 is positive after consideration of the tax consequences to you for deduction of any interest and depreciation.
- 2. In our November 14, 2006 letter to you, we indicated that you needed to provide evidence supporting the claimed fair market value of your property. In your most recent submissions, you state on your personal financial statement that the estimated value of 85 Natoma #5 is \$2,100,000. However, you also provided us with a listing agreement from 2005 (attached to your May 8, 2007 letter) in which the listing price for the property is \$1,550,000. Please provide us with an appraisal or other evidence supporting your claim that the fair market value of the property is \$2,100,000.

- 3. In our April 10, 2007 letter to you, we stated that you needed to provide us with the annual expenses for 85 Natoma #5, including first and second mortgages (principal and interest, and rates of interest), taxes, insurance, and all landlord expenses such as utilities, maintenance, and repairs. You submitted to us a Supplemental Income and Loss form for 2007. While this form supplies most of the information we need, it raises the following questions.
  - a. What is the "Other interest" listed on line 13?
  - b. What is included in the "Other" category listed on line 18? We did not receive Statements 2, 3, and 4.
  - c. What is the significance of the Passive Activity Deduction Worksheet, which you attached and highlighted?
- 4. In your May 8, 2007 letter, you asserted that you needed the proceeds of the sale of 85 Natoma #5 to start up a new business. We provided you with a form to assist you in explaining this new business venture and how much capital you needed to finance it. In your February 4, 2009 letter, you state that you "depend solely on returns from [your] income property investments for [your] livelihood; that is [your] business." You did not complete the "Description of Current Business Venture" form we sent to you. Please clarify whether you need the proceeds of the sale of 85 Natoma #5 to finance a new business venture. If so, please fill out the attached "Description of Current Business Venture" form. If not, no further response is necessary.
- 5. In our May 14, 2007 letter to you, we asked that you provide us with the actual amount of income taxes you paid in 2006, rather than an estimate. In addition, the Caltrans hardship acquisition regulations (section 5.03-3) authorizes the TJPA to request a copy of your income tax returns to verify the other information you have submitted. You did not submit a copy of your 2006 income tax returns to us in 2007, nor did you provide us with your 2007 returns in your most recent submission. Please provide us with your complete, signed Federal Income Tax Return for 2007 so that the TJPA can verify the other information you have submitted concerning your income, expenses, and assets.

You ask the TJPA to acquire your property now because TJPA has acquired the building next door at 81-83 Natoma. The TJPA's acquisition and demolition of the improvements on 81-83 Natoma is necessary for a bus ramp for Phase 1 of the Transbay Program. Phase 1 has already begun, and will require demolition of 81-83 Natoma and construction of the bus ramps on that parcel in late 2009 or early 2010. Your property,

Terri Brown February 23, 2009 Page 4

by contrast, is planned for acquisition in Phase 2 of the TJPA Program. Phase 2 involves the extension of the rail line in a tunnel from 4th and Townsend into the new Transit Center. The proposed tunnel would go directly through 85 Natoma. Construction of Phase 2, however, is not scheduled to start until at least 2012. Accordingly, the TJPA is not required to purchase your property at this time, and in fact planned to wait to purchase the property until it is needed in 2012.

As we have stated before, we are not asking you for this additional information to stall your request. Quite to the contrary, we need this information to assist the TJPA Board in determining whether your situation qualifies for early acquisition pursuant to the regulations governing the Board's actions. Again, if you provide us with all of this remaining information by March 2, 2009, we will be able to present your application to the TJPA Board at its March 12, 2009 meeting.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

Enclosure

P:\TJPA\ROW\85 Natoma\No5 (3721-113)\wk007(Letter to T. Brown 2-23-09).doc

## Request for Early Acquisition Due to Hardship

## **Description of Current Business Venture**

You have explained to us that you need to sell 85 Natoma #5 in part in order to finance a new business venture. Please provide us with an estimate of the total amount of capital required to start this new business and a one paragraph description of what that capital is needed for (e.g., renovation of buildings, developing vineyards, paying employees, carrying costs, etc.).

Estimated capital required:				
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Estimated net income:				
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, Terri Brown, certify that the a	above estimate	s are accurate	and correc	t.
Date	**************************************	Si	gnature	

P. 1 SHUTE MIHALY WEINBERGE Fax:415-552-5816

Feb 23 2009 12:22pm

Name/Fax No.	Mode	Start	Time	Page	Result	Note
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## SHUTE, MIHALY & WEINBERGER LLP

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WWW.SMWLAW.COM

## FAX COVER SHEET

Date Sent:	February 23, 2009		Client:	145
Number of Pages: (including cover sheet)	_6		Sent By:	1-10
Original to Follow:	Via U.S. Mail		Time Sent:	
<u>TO</u> :				•
Terri Brown		Fax:	707.837.90	83
FROM:				
Winter King		Phone: Fax:	(415) 552-7 (415) 552-5	272 Ext: 237 816
MESSAGE:				
Attached: (1) Request for Ea	Letter dated February 23	, 2009 from	Winter King	to Terri Brown and

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Venture form

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LAUREL L. IMPETT, AICP CARMEN J. BORG. AICP URBAN PLANNERS

March 4, 2009

## Via Facsimile and U.S. Mail

Terri Brown 85 Natoma #5 958 Sanchez St. San Francisco, CA 94114

Re: 85 Natoma #5

Dear Ms. Brown:

We have received your letter dated March 2, 2009, with attachments. We will present your request for early acquisition of 85 Natoma #5 to the TJPA Board of Directors in closed session on March 12, 2009.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

\\Smw\voll_data\TJPA\ROW\85 Natoma\No5 (3721-113)\wk010(Ltr to T. Brown 3-3-2009).doc

P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816

Mar 4 2009 11:58am

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### FAX COVER SHEET

Date Sent:

March 4, 2009

Client:

145

Number of Pages: (including cover sheet)

Sent By:

Original to Follow:

Via U.S. Mail

Time Sent: 11:55 a

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext. 237

Fax:

(415) 552-5816

MESSAGE:

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WINTER KING KING@SMWLAW.COM (415) 552-7272 Ext. 237

March 13, 2009

### Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Ave. Los ALtos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

Dear Ms. Brown:

I am writing in response to your March 4, 2009 letter, in which you ask several questions about the Transbay Joint Powers Authority's ("TJPA") plans to acquire property and proceed with construction near 85 Natoma #5. Below please find our answers to these questions.

- 1. Yes, 77-79 Natoma is necessary for construction of a bus ramp in Phase 1 of the Transbay Transit Center Program ("Program").
- 2. No, the TJPA has not yet acquired 564 and 568 Howard. Both of these properties are necessary for Phase 1 of the Program. TJPA is currently in the process of trying to acquire them. The properties have been appraised previously and offers made to the owners, but they were rejected. The TJPA is in the process of updating the appraisal and intends to make renewed offers to buy the properties in the near future.
- 3. No firm schedule has been set for demolition of the Phase 1 properties necessary for construction of the bus ramp. Currently, TJPA is planning to proceed with demolition of these buildings sometime between October 2009 and April 2010. However, these plans are subject to change by the TJPA.

Terri Brown March 13, 2009 Page 2

- 4. You state that the western wall of 81-83 Natoma "provides a wall that blocks unlawful entry into my garage and courtyard," and ask how TJPA will address the security issues raised by the demolition of 81-83 Natoma. To answer this question, we need more information from you. Please provide us with information about the location of your courtyard relative to 81-83 Natoma, how that building is currently blocking unlawful entry to your garage, and what effect demolition of that building will have.
- 5. You ask how you and your tenant will "be protected from environmental hazards during demolition of adjoining buildings." The Final Environmental Impact Statement/Environmental Impact Report ("Final EIS/EIR") for the Program lists the measures that will be employed to mitigate the environmental impacts of the Program, including impacts to neighboring residents. The EIR is located on the TJPA's website: www.transbaycenter.org. (Select the link to "Documents," then select the link to "Environmental." The Final EIS/EIR, certified June 15, 2004, is listed on this page.). In particular, you may wish to review Section 5.21 (pages 5-184 et seq.), which discusses construction-related impacts and mitigation measures. In addition to the measures discussed in the Final EIS/EIR, the TJPA will comply with the City of San Francisco's ordinances regulating construction activities. You can review these ordinances on the City website: http://www.ci.sf.ca.us/site/government_index.asp#codes (select the link for the "San Francisco Municipal Code Index").
- 6. You ask for more information about construction-related noise and traffic impacts caused by the Program. Again, please refer to the Final EIS/EIR on the TIPA website for a discussion of these impacts and the measures adopted to mitigate them.
- 7. No, our office has not been in contact or negotiations with Patrick McNerney.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Wenter King Winter King

P:\TJPA\ROW\85 Natoma\No5 (3721-113)\wk012(Ltr to T. Brown 3-13-2009).doc

P. 1 SHUTE MIHALY WEINBERGE Fax: 415-552-5816

Mar 13 2009 04:51pm

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#### FAX COVER SHEET

Date Sent:

March 13, 2009

Client:

145

Number of Pages:

(including cover sheet)

Sent By:

Original to Follow: Via U.S. Mail

Time Sent:

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

MESSAGE:

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

March 13, 2009

### Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Ave. Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

Dear Ms. Brown:

I am writing to reiterate the information I relayed to you in a voicemail yesterday, and to respond to your March 12, 2009 letter regarding your request for early acquisition of 85 Natoma #5 by the Transbay Joint Powers Authority ("TJPA"). As I stated in my message, the TJPA Board met in closed session on March 12, 2009 to discuss your request, and had no objection to proceeding with the appraisals, review, and other steps necessary to make you an early offer to purchase your property. Please note that the Board did not approve the acquisition of your property at this time. Several steps must be taken before the TJPA Board can make you an offer, including a determination by the Board that there are sufficient funds available to purchase the property ahead of schedule.

Although we will make every effort to take these steps as quickly as possible, they are both legally required and time-consuming. As we explained in earlier correspondence, the TJPA is legally required to obtain two appraisals prior to making you an offer for your property. These appraisals will have to be reviewed by the TJPA's review appraiser for compliance with state and federal law. If the review appraiser approves the appraisals and recommends one, the TJPA would then be required to seek the Federal Transportation Administration's (FTA's) concurrence with that

Terri Brown March 13, 2009 Page 2

recommendation. For property the TJPA has already acquired through this process, FTA concurrence alone has taken from six weeks to several months.

If the FTA concurs with the reviewer's recommendation, then the TJPA can make you an offer to buy your property, provided the TJPA can obtain sufficient funding to do so. Escrow would not close on a purchase until all title and other contingencies have been removed. Under this process, a closing on the purchase of your property will take at least several months.

The TJPA's appraisers will contact you within the next few weeks to tour your condominium. The appraisers are Chris Carneghi and John Clifford.

Finally, we disagree with your statement that the TJPA has delayed this early acquisition process. A review of our correspondence shows that, during the time that you claim the TJPA delayed, we were waiting for you to provide us with accurate and complete information necessary to present your request to the Board. For example, after notifying you that we needed some additional information in May 2007, we did not receive any word from you until February 2008, and then did not receive any additional information from you until February 2009, a year later. These delays, in turn, meant that we needed you to update the information you had previously submitted. Moreover, we were required to make repeated requests for information that you failed to provide to complete your application. Once we received the complete and accurate information we asked you to provide, we promptly proceeded to the next step in the hardship early acquisition process.

I am also preparing a response to your March 4, 2009 letter, which I will send under separate cover.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

P:\TJPA\ROW\85 Natoma\No5 (3721-113)\wk014(Ltr to T. Brown 3-13-2009).doc

P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816 Mar 13 2009 04:53pm

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17078379083/P145	Normal	13,04:52pm	1'08"	3.	* 0 K	

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#### FAX COVER SHEET

Date Sent:

March 13, 2009

Client:

145

Number of Pages:

(including cover sheet)

Sent By:

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Original to Follow:

Via U.S. Mail

Time Sent: 4:45

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

MESSAGE:

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March 27, 2009

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Ave. Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

### Dear Ms. Brown:

I am writing in response to your most recent letters, in which you provide me with information about the relationship of 85 Natoma and the adjoining properties, and ask for clarification about the Transbay Joint Powers Authority ("TJPA") Board's decision regarding your request for early acquisition of 85 Natoma #5 due to financial hardship.

Thank you for the information you provided about the relationship of 85 Natoma and the adjoining properties. You may wish to contact the San Francisco Department of Building Inspection and/or the Planning Department to determine whether there are any requirements imposed by the City related to this issue. Given that 85 Natoma is currently relying on the adjoining properties to enclose its garage and outdoor space, it may be the responsibility of the HOA for your building to construct a fence, if necessary, when the TJPA removes these buildings.

Next, you ask when you can expect to hear from the TJPA's appraisers. The TJPA's appraisers will begin their appraisals of 85 Natoma #5 in mid-April. The appraisals should be completed in a month to six weeks. The review of the appraisals should take one to three weeks. In the past, the review by the Federal Transit

Terri Brown March 27, 2009 Page 2

Administration ("FTA") has taken from six weeks to three months. We have no control over the timing of that review. If we obtain the FTA's concurrence on the appraisal and if funds are available at that time, the TJPA will offer you the full amount of the appraisal.

You also request further explanation about the decision taken by the Board in closed session on March 12, 2009. As I explained in my previous letter to you, dated March 13, 2009, the Board reviewed the information you submitted and had no objection to proceeding with the appraisals, review, and other steps necessary to make you an early offer to purchase your property. The reason the record of the closed session indicates that there was "nothing to report" on this closed session agenda item is that the Board did not approve an early purchase, but rather had no objection to proceeding with the appraisal and offer process. Transcripts of the Board's closed session meetings are not available to the public.

In addition, you ask when the TJPA will either approve or deny your request for early acquisition. After FTA concurrence, the TJPA staff must determine whether there are sufficient funds available to purchase the property ahead of schedule and make you an offer. If that offer results in an agreement between you and the TJPA staff, the staff will recommend approval by the Board. The Board retains discretion to approve the agreement. Given that the appraisal and review process will not be completed by April 9, the early acquisition of your property will not be on the agenda for the Board's April meeting.

Finally, please be aware that the TJPA will use its own title company to obtain a preliminary title report for your property. We are aware of the potential discrepancy you have noted in your March 13, 2009 letter to me. We will contact you if we need your assistance in resolving any title issues.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816 Mar 27 2009 03:14pm

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	17078379083/P145	Normal	27,03:13pm	1109"	3	* 0 K		

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### FAX COVER SHEET:

Date Sent:

March 27, 2009

Client:

145

Number of Pages: (including cover sheet)

3

Sent By:

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Original to Follow:

Via U.S. Mail

Time Sent:

3'07 pm

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

April 9, 2009

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

Dear Ms. Brown:

I am writing in response to your letter faxed to me on April 7, 2009. In that letter, you ask whether the process and timing for the Transbay Joint Powers Authority's ("TJPA") response to your early acquisition request complies with the Caltrans Right-of-Way Manual ("ROW Manual"). In short, the TJPA's response fully complies with the ROW Manual, as well as the other state and federal laws and regulations governing the TJPA's acquisition process.

Section 5.03.01.00 of the ROW Manual, which you cite, describes two types of hardship requests for early acquisition of a property: first, those "which occur in advance of the regular right of way acquisition process", and; second, those which occur within the scheduled acquisition period, but for which "funding and activity on the project have been deferred." Your request falls under the first category because, pursuant to the schedule adopted for construction of the Transbay Transit Center, your property is not slated for acquisition until at least 2012, during Phase II of the project. Because you are seeking acquisition ahead of schedule, and because the TJPA does not now have at its disposal the funding for all future property acquisitions, the TJPA must determine whether it has sufficient funds to purchase your property before making you an offer.

Terri Brown April 9, 2009 Page 2

Nothing in the ROW Manual requires the TJPA to purchase a property ahead of schedule when it lacks funds to do so.

As we have stated in our prior correspondence with you, the TJPA's acquisition of property is governed not only by state law, but also by federal requirements because the federal government is funding a portion of the Transbay Program. Pursuant to these requirements, the TJPA must obtain two appraisals prior to making you an offer for your property. These appraisals will have to be reviewed by the TJPA's review appraiser for compliance with state and federal law. If the review appraiser approves the appraisals and recommends one, the TJPA would then be required to seek the Federal Transportation Administration's (FTA's) concurrence with that recommendation. The TJPA has followed this process for every parcel it has acquired to date. Because of the state and federal regulations governing the TJPA's acquisition of property, the TJPA cannot omit any of these steps in acquiring your property, i.e., there is no "fast-track" process available to the TJPA for early acquisitions due to financial hardship.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816

9 2009 02:28pm

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17078379083/P145	Normal	09,02:27pm	1'05"	3	* 0 K	

#### SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

390 HAYES STREET SAN FRANCISCO, CALIFORNIA 94102 TELEPHONE: (415) 552-7272 FACSIMILE: (415) 552-5816 WWW.SMWLAW.COM

#### FAX COVER SHEET

Date Sent:

April 9, 2009

Client:

145

Number of Pages:

3_ (including cover sheet)

Sent By:

Original to Follow:

Via U.S. Mail

Time Sent:

<u>TO</u>:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

\\Smw\vol1_data\TIPA\ROW\85 Natoma\No5 (3721-115)\wk019(Fax Cover for Lir to T. Brown 4-9-2009).doc

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KRISTIN B. BURFORD

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

April 17, 2009

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

## Dear Ms. Brown:

I am writing in response to the voicemails you left for me and Andrew Schwartz during the week of April 13, 2009. In particular, you requested clarification about when the TJPA's appraisers would be appraising your property, and why they had not begun to do so already. You also asked for a contact at the Department of Transportation ("Caltrans") with whom you could discuss the Right of Way (ROW) Manual guidelines for early acquisition due to financial hardship.

As we informed you in previous letters, we anticipated that the TJPA's appraisers would begin their work on your property in mid-April. As of today, April 17, one appraisal of your property (that conducted by John Clifford) is already under way. The appraiser who will be conducting the second appraisal of your property, Chris Carneghi, has been authorized to begin work as of today.

If you would like to speak with someone at Caltrans regarding their ROW Manual, their main number is (916) 654-5266. We do not represent Caltrans, and do not know who at that agency would be able to best answer your questions. Please note that

Terri Brown April 17, 2009 Page 2

while the TJPA generally follows the Caltrans ROW Manual, Caltrans has no authority concerning the TJPA's right of way acquisitions for the Transbay Program.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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## SHUTE, MIHALY & WEINBERGER LLP

396 HAYES STREET
SAN FRANCISCO, CALIFORNIA 94102
TELEPHONE: (415) 652-7272
FACSIMILE: (415) 552-5816
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### FAX COVER SHEET.

Date Sent: April 17, 2009 Client: 145

Number of Pages: 3 Sent By: Wit

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TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

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# SHUTE, MIHALY & WEINBERGER LLP

E. CLEMENT SHUTE, JR.* MARK I, WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S: GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA'LL WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING KEVIN P. BUNDY

*SENIOR COUNSEL

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WINTER KING KING@SMWLAW.COM (415) 552-7272 Ext. 237

June 9, 2009

### Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Fax: (707) 837-9083

Re: Natoma Street Between First and Second Streets

Dear Ms. Brown:

I am writing in response to your fax dated June 2, 2009. In that letter, you requested an explanation of how the activities analyzed in the Fifth Addendum to the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project FEIS/EIR will affect access to your property.

In short, your use of Natoma Street between First and Second Streets will not be affected by the activities described in the Fifth Addendum. As discussed in that document, the Transit Center is designed to occupy portions of the public right-of-way above Natoma Street (where the building façade and bus ramps will extend out over the street) and below Natoma Street (where the underground train box will be constructed). Because these spaces are currently part of the public right-of-way owned by the City of San Francisco, the TJPA must apply to the City to "vacate" them in order to construct the new Transit Center. If the City approves the vacation, the spaces will no longer be part of the public right-of-way or owned by the City. However, the *surface* of Natoma Street between First and Second Streets will remain part of the public right-of-way, open to the public and owned by the City. Moreover, the process of "vacating" the portions of the public right-of-way needed for the Transit Center will not involve any construction or

Terri Brown June 9, 2009 Page 2

physical changes to the street. Thus, the "vacation" discussed in the Fifth Addendum will not affect your use of Natoma Street to access your home and garage.

There is currently no set schedule for the vacation process. The TJPA plans to submit its public right-of-way vacation application to the City in the coming months. A few months later, the Board of Supervisors will hold a hearing on it. As a neighboring property owner, you will receive notice of this hearing, and may participate in it if you like.

The TJPA is also planning to conduct informational sessions with neighboring property owners to discuss the construction schedule for the Transit Center and to answer any questions you may have. Once the TJPA has selected dates for these sessions, it will notify you and the other neighboring property owners.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

cc: Judi Cohen

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Date Sent:

June 9, 2009

Client:

145

Number of Pages: (including cover sheet) 3

Sent By:

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Original to Follow:

Via U.S. Mail

Time Sent:

3200 Dr

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

Attachment: Letter re: Natoma Street btw. First and Second Streets

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#### SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

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Date Sent:

June 9, 2009

Client:

Number of Pages: (including cover sheet)

Sent By:

Original to Follow:

Via U.S. Mail

Time Sent: 3.

TO:

Judi Cohen

Fax:

(415) 989-5143

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

Attachment: Letter re: Natoma Street btw. First and Second Streets

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* SENIOR COUNSEL

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

WINTER KING KING@SMWLAW.COM (415) 552.7272 EXT. 237

July 17, 2009

### Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re.

85 Natoma Communication from TJPA

Dear Ms. Brown:

We received your letter, dated July 16, 2009, requesting information about the letters TJPA has recently sent to the owners of 85 Natoma other than yourself. These letters are notices of decision to appraise the other properties in the building. As you know, the TJPA initially planned to acquire the 85 Natoma building in Phase II of the Transbay Program, which is scheduled to begin in 2012. Due to the TJPA's refinement of plans for construction of Phase I, the TJPA has now determined that it may acquire the 85 Natoma building in Phase I, which is currently underway. As your property has already been appraised, it was not necessary to send you any such notice. Please note that the appraisal of the other units in 85 Natoma will not affect the speed with which the TJPA processes your hardship acquisition request.

The TJPA has not sent any notices or other mailings to your tenant at 85 Natoma #5. The TJPA may, however, contact the tenant as required by law. Nor has the TJPA requested a meeting with the homeowners' association for 85 Natoma; however, a member of the homeowners' association has requested a meeting with the TJPA, and Andrew Schwartz will be meeting with some homeowners in front of the building on July 29, 2009, and 9:30 a.m. to discuss the possible acquisition. You are welcome to attend that meeting.

Terri Brown July 17, 2009 Page 2

Finally, because you are represented by counsel, we request that you do not contact us directly, and that any communication be made through your attorney. We cannot communicate with you directly without your counsel present.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

cc: Judi Cohen

P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816 Jul 17 2009 03:35pm

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July 17, 2009

Client:

145

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Time Sent:

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<u>TO:</u>

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

Attachment: Letter re: 85 Natoma

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#### SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

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#### FAX COVER SHEET

Date Sent:

July 17, 2009

Client:

Number of Pages: (including cover sheet)

Sent By:

Original to Follow: Via U.S. Mail

Time Sent:

TO:

Judi Cohen

Fax:

(415) 989-5143

FROM:

Winter King

Phone: (415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

Attachment: Letter re: 85 Natoma Street

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TRANSBAY JOINT POWERS AUTHORITY

Maria Ayerdi-Kaplan · Executive Director

August 24, 2009

Judi Cohen MBV Law, LLP 855 Front Street San Francisco, CA 94111

Re:

Transbay Program

Initial Contact Letter and General Information Notice—Landlord Terri Brown

Affected Property: 85 Natoma St. #5 (Block 3721, Lot 113)

#### Dear Ms. Cohen:

As you know, the Transbay Joint Powers Authority ("TJPA") is considering acquiring the property your client Terri Brown owns located at 85 Natoma St. #5 (Block 3721, Lot 113) in San Francisco (the "Property") in Phase 1 of the Transbay Transit Center Program (the "Transbay Program"), which is currently underway. We understand that Ms. Brown owns the Property but leases it to Art Club, who occupies the Property as a business location (the "Tenant"). We are not aware of any other occupants of the Property. It is our understanding that although Ms. Brown may store personal property on the site, she does not occupy the site as her business, residence, or otherwise.

We are writing to inform Ms. Brown of her rights, as owner/landlord of the Property, and her Tenant's rights, as occupant of the Property, to receive relocation assistance, should the TJPA acquire the Property.

### Property Owner/Landlord Relocation Assistance

If the TJPA acquires the Property, Ms. Brown would be required to relocate any of her personal property on the site in order to allow for construction of the Transbay Program. Ms. Brown would be eligible to receive relocation assistance and payments related to the cost to relocate her personal property from the Property, in accordance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, and the California Relocation Act (the "Relocation Laws"). Ms. Brown's rights under these laws are discussed in the enclosed Relocation Brochure and summarized below:

- Moving Expenses. If Ms. Brown is required to move personal property from the site as a result of the TJPA's acquisition of the Property for the Transbay Program, she would be eligible to receive reimbursement for certain actual, reasonable moving expenses.
- <u>Eligibility to Receive Payment</u>. There is no eligibility to receive relocation assistance unless/until
  the TJPA makes an offer to acquire a property. If the TJPA makes an offer to purchase the
  Property, it will provide Ms. Brown a Notice of Eligibility for relocation assistance related to
  relocation of her personal property from the site.
- Right to Appeal. A person or business may appeal if it believes the TJPA has failed to properly determine eligibility or the amount of payment authorized by the relocation regulations. A person or business has the right to be represented by legal counsel, but this is not required. If a person or business still believes a proper determination has not been made at the conclusion of the appeal, the person or business may seek judicial review.
- <u>Nondiscrimination</u>. All services and/or benefits to be derived from any right of way activity will be administered without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act.

Sincerely,

The TJPA has hired the relocation assistance consultant Associated Right of Way Services ("ARWS") to help it administer the Relocation Assistance Program. Jamie Guillen of AR/WS is Ms. Brown's Relocation Advisor and can answer her questions related to the relocation of her personal property.

2500-TO

Ms. Jamie <u>Guillen</u>, Relocation Advisor Associated Right of Way Services, Inc. 2300 Contra Costa Boulevard, Suite 525 Pleasant Hill, CA 94523 (800) 558-5151 toll-free • (925) 691-6505 fax jguillen@arws.com

#### **Tenant Relocation Assistance**

If the TJPA acquires the Property, Ms. Brown's Tenant would be relocated in order to allow for construction of the Transbay Program. The TJPA will provide relocation assistance to all eligible tenants that are required to relocate as a result of the Transbay Program, in accordance with the Relocation Laws.

The TJPA has contacted Ms. Brown's Tenant to inform it of the TJPA's plan for providing relocation assistance to any persons or businesses that are displaced as a result of the Transbay Program, notify the Tenant of its rights under federal and state law should the Tenant be required to move from the Property for the Transbay Program, and invite the Tenant to meet with ARWS.

The TJPA has notified Ms. Brown's Tenant that the TJPA has not issued a notice to vacate the premises, and the TJPA is not requiring the Tenant to move at this time. The TJPA has explained that it has not acquired the Property and the TJPA is not the Tenant's landlord. The TJPA has encouraged Ms. Brown's Tenant to continue to honor the terms of any rental agreement with Ms. Brown.

A copy of the letter to Ms. Brown's Tenant is enclosed for your information.

Thank you for working with the TJPA to help to plan for this important public transportation project. Please inform us if we have misunderstood Ms. Brown's ownership or occupancy of the Property, or if there are any other owners or occupants of the Property. Should you have additional questions or if I can be of additional service please contact me by phone at 415-597-4620 or email at esum@transbaycenter.org.

Edmond Sum, PE
Engineering Manager

Enclosures: (1) Relocation Brochure
(1) Letter to Tenant

cc: Jamie Guillen, AR/WS

Certification of Delivery

This Notice was sent via first class and certified mail on
This Notice was personally delivered on
Signature:

Date:

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DEBORAH L. KEETH KEETH@SMWLAW.COM (415) 552-7272 Ext. 257

October 23, 2009

### Via Facsimile and U.S. Mail

Terri L. Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5, San Francisco (Block 3721, Lot 113)

#### Dear Ms. Brown:

As you know, this office represents the Transbay Joint Powers Authority (TJPA) on matters relating to the Transbay Transit Center Program. This letter is in response to your telephone messages to me on October 22 and 23, 2009.

In your message you stated that you have rejected the September 15, 2009 joint offer from the TJPA and the City and County of San Francisco to acquire an unencumbered fee simple interest in 85 Natoma #5, San Francisco (the "Property") for \$1,250,000.

In your message you also stated that Judi Cohen and Dwight Donovan of MBV Law, LLP no longer represent you on matters relating to the Property. Before we can communicate directly with you, we will need a letter from Ms. Cohen and Mr. Donovan confirming this status.

Following our receipt of this confirmation from your attorneys, and based on your phone message stating that you have no other legal counsel representing you regarding the Property, we will direct future correspondence on matters relating to the Property to you directly. We also advise you that all communication between you and the TJPA must be

Terri L. Brown October 23, 2009 Page 2

made in writing. If you provide us your email address, we will send correspondence electronically and via U.S. mail.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

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Deborah L. Keeth

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cc: Judi Cohen

Dwight Donovan Maria Ayerdi-Kaplan

Kristen Jensen

## SHUTE, MIHALY & WEINBERGER LLP

E. CLEMENT SHUTE, JR.* MARK I. WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING

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MARY J. REICHERT
BRIANNA R. FAIRBANKS

LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

November 24, 2009

### Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 24-hour Work Notice

Dear Ms. Brown:

Edmond Sum, Engineering Manager for the Transbay Joint Powers Authority (TJPA), forwarded to me your voicemail, in which you request information about the 24-hour work notice provided to neighbors of 80 Natoma. As we have stated in the past, please address all your communications to the TJPA to our office, and make them in writing. We believe this method of communication will avoid miscommunication and misunderstanding between you and the TJPA. We will respond promptly to any questions or reasonable requests for information you present to us.

Regarding the 24-hour work notice provided to the residents of 85 Natoma: The TJPA has obtained a permit temporarily extending the hours during which it can carry out its construction work at 80 Natoma. In its efforts to complete all work at that site prior to the Thanksgiving holiday weekend, the TJPA may need to work beyond its usual construction hours Monday to Wednesday, November 23-25. The TJPA does not anticipate that it will need to perform heavy construction work all through the night any of these nights, but may need to begin work before 7:00 am or end after 7:00 pm. The 24-hour work notice alerts the residents of neighboring buildings of this possibility. The TJPA intends to finish its work at 80 Natoma by 8:00 pm on Wednesday.

Terri Brown November 24, 2009 Page 2

I hope this answers your questions about the 24-hour work notice. If you have any additional questions, please submit them to me in writing.

Very truly yours,

LAKS

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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## ** Transmit Confirmation Report **

P.1 SHUTE MIHALY WEINBERGE Fax:415-552-5816 Nov 24 2009 09:56am

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#### FAX COVER SHEET

Date Sent:

November 24, 2009

Client: 145

Number of Pages: (including cover sheet) 3

Sent By:

By: Let

Original to Follow:

Via U.S. Mail

Time Sent: 914

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

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If there are any problems or questions related to this fax, please call our Receptionist at (415) 552-7272

TJ PA. Brown

# SHUTE, MIHALY & WEINBERGER LLP

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

WINTER KING KING@SMWLAW.COM (415) 552-7272 Ext. 237

November 30, 2009

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: Communications with TJPA

Dear Ms. Brown:

I received your voicemail last week in which you requested that we speak by telephone to discuss your questions about the TJPA's plans for construction near 85 Natoma. As I wrote you before, we are prepared to respond promptly to any written request for information—including letters, faxes, and e-mails. The reason for limiting our communication with you to writing is to avoid any misunderstanding or miscommunication about the TJPA's plans. For this same reason, please address your inquiries to our office rather than contacting TJPA staff directly. Our fax number is: (415) 552-5816. My e-mail is: <a href="mailto:king@smwlaw.com">king@smwlaw.com</a>. Our mailing address is: Shute, Mihaly & Weinberger, LLP, 396 Hayes Street, San Francisco, CA, 94102.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

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## ** Transmit Confirmation Report **

P. 1 SHUTE MIHALY WEINBERGE Fax: 415-552-5816 Nov 30 2009 04:25pm

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## SHUTE, MIHALY & WEINBERGER LLP

396 HAYES STREET
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TELEPHONE: (415) 552-7272
FACSIMILE: (415) 552-5816
WWW.SMWLAW.COM

## FAX COVER SHEET

Date Sent:

November 30, 2009

Client: 145

Number of Pages: (including cover sheet)

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Sent By:

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Original to Follow:

Via U.S. Mail

Time Sent:

11,23

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE

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The attached fax may contain confidential information that is intended only for the recipient(s) identified above. Unless you are an individual named hereon (or authorized to receive the attached file for such an individual), you may not read, copy, use or distribute it. If you have received this communication in error, please advise Shute, Mihaly & Weinberger LLP immediately by telephone at (415) 552-7272 (collect) or by fax at (415) 552-5816 and promptly return it via the U.S. postal service. We will gladly reimburse any costs you incur.

If there are any problems or questions related to this fax, please call our Receptionist at (415) 552-7272

# SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

E. CLEMENT SHUTE, JR. * MARK 1, WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD 5, TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH

WINTER KING

*SENIOR COUNSEL

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

WINTER KING KING@SMWLAW.COM (415) 552-7272 Ext. 237

December 10, 2009

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re

85 Natoma #5

### Dear Ms. Brown:

I received your voicemail on Thursday afternoon, December 3, regarding the ongoing activity at 80 Natoma. You indicated that your tenants are seeking to break their lease with you on account of the noise from this activity, and requested information about (1) when the activity will end, (2) when the TJPA will begin providing relocation assistance to your tenants, and (3) what you should do about your tenants' threat to break their lease.

- (1) As indicated in my previous letter, the TJPA had hoped to complete the geotechnical testing work on 80 Natoma before the Thanksgiving weekend. However, that was not possible. The TJPA anticipates this work will be complete by the end of December 2009. This schedule is, however, subject to change.
- (2) The TJPA has notified your tenants that they may be eligible to receive relocation assistance from the TJPA. They became eligible as of the date the TJPA made its first written offer to you to purchase the property. For your reference, I am attaching the notice the TJPA sent to your tenants.

Terri Brown December 10, 2009 Page 2

(3) We cannot advise you on your rights as a landlord. However, the TJPA has notified your tenants twice in recent correspondence that the TJPA has not acquired the property, the TJPA is not the landlord, and any rights or obligations the tenants may have under their lease with you remain in effect.

Finally, given the issues you raise in your voicemail, I would like to reiterate the efforts the TJPA has made at your request to acquire your property ahead of schedule. The TJPA offered to acquire your property on September 15, 2009, at the full amount of the TJPA's appraisal of the property. On October 22 and 23, 2009, we were informed that you rejected this offer, and that you were preparing your own appraisal. We have not yet received any appraisal from you. The TJPA would be glad to consider any appraisal you want to provide us.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

Enclosure

cc: Maria Ayerdi-Kaplan

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November 13, 2009

No Agenda Mevio Ltd. Micky Hoogendijk Productions 85 Natoma Street, Unit 5 San Francisco, California 94105

Subject: Transbay Transit Center Program

Notice of Potential Eligibility to Receive Relocation Assistance for

**Business Tenant Occupants** 

85 Natoma Street, Unit 5, San Francisco, California

Block 3721, Lot 113

Dear Mr. Curry, Mr. Dvorak, and Ms. Hoogendijk:

The Transbay Joint Powers Authority (TJPA) plans to acquire property to allow for the development of the Transbay Transit Center Program (Program), which will replace the Transbay Terminal at First and Mission streets in San Francisco with a new Transit Center, and build a new neighborhood with approximately 2,600 new residential units. The property that your business occupies at 85 Natoma Street, Unit 5, in San Francisco, California (Property), is one of several properties in the area that the TJPA proposes to acquire for the Transbay Program.

In response to the Property owner's request that the TJPA acquire the Property earlier than it would otherwise be required for the Program due to the Property owner's hardship, on September 15, 2009 the TJPA made a first written offer to acquire the Property. If the TJPA is successful in acquiring the Property, your business would be required to relocate from the Property to allow for construction of the Program. As a result of the TJPA's offer to purchase the Property, your business may be entitled to receive business relocation assistance from the TJPA, as described below. The TJPA will send information regarding residential relocation assistance under separate cover.

Notice of Potential Eligibility. As the business occupant of the Property, your business may be eligible to receive certain benefits under the TJPA's Relocation Assistance Program for Business Occupants. These benefits are outlined below and are discussed in further detail in the Business Relocation Assistance Brochure, which is enclosed for your review. Certain conditions must be satisfied before the TJPA will confirm your eligibility for business relocation assistance; proof of occupancy of the Property as of the date of the TJPA's offer to purchase the Property; a copy of

The TJPA's Relocation Assistance Program is required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. Section 4601 et seq., and its implementing regulations, 49 CFR Part 24, as well as the California Relocation Act, Govt. Code Section 7260 et seq., and its implementing regulations, 25 Cal. Code Regs. Section 6000 et seq.

Mr. Curry, Mr. Dvorak, and Ms. Hoogendijk November 13, 2009 Page 2 of 3

the lease agreement; and legal residency certification for business owners or a corporation are required for all business occupants.

<u>Timing of Relocation</u>. The current Program schedule has been developed in order to provide you with as much lead time as is possible to successfully relocate your business. It is anticipated that you will not be required to move from the Property prior to (1) the TJPA securing possession of the Property, and (2) **August of 2010**. Your business will not be required to move from the Property until at least 90 days after you receive a formal, written Notice to Vacate. Assuming you meet the eligibility requirements, your business is eligible now to receive relocation assistance in accordance with the TJPA's Relocation Assistance Program for Business Occupants.

It also is important that you understand that the TJPA has not yet acquired the Property and the TJPA is not the landlord of the Property. Thus, any obligations your business may have under a lease agreement for the Property, including the obligation to pay rent and provide a certain period of notice when you intend to vacate the Property, continue to apply. We will update you on the status of the TJPA's efforts to purchase the Property.

The enclosed Business Relocation Assistance Brochure describes in detail the assistance available to eligible business occupants of the Property. That assistance is summarized as follows:

Relocation Assistance. The TJPA's Relocation Assistance Program provides referrals to replacement property, help in filing claims for reasonable moving costs and other eligible relocation expenses, and other assistance to help your business successfully relocate. Eligible businesses may request reimbursement for certain actual, reasonable, and necessary moving and related expenses (e.g., the cost to move inventory and other personal property). In addition, certain small businesses and nonprofit organizations may be eligible for reimbursement of certain actual, reasonable, and necessary reestablishment expenses. Alternatively, certain businesses and nonprofit organizations may be eligible to receive a fixed payment instead of actual moving expenses.

The potential reimbursement options, the kinds of expenses that are eligible for reimbursement, and the requirements for reimbursement are described in detail in the enclosed Business Relocation Assistance Brochure. In addition, your Relocation Advisor will work with you to help you to understand the relocation assistance that would be available so that you can make informed decisions as you plan your relocation.

Relocation Claims and Payments. Relocation expenses typically will be reimbursed after your business submits to your Relocation Advisor a signed claim and all required documentation supporting the claim. Your Relocation Advisor will work with you to properly document your claims for reimbursement. Your Relocation Advisor will submit each complete claim to the TJPA for review and processing. The TJPA will make every effort to provide reimbursement for any approved, eligible portion of your claim within approximately 45 days of final approval of the claim.

Mr. Curry, Mr. Dvorak, and Ms. Hoogendijk November 13, 2009 Page 3 of 3

If your business is owned by persons who are not lawfully present in the United States, then the business may be ineligible to receive relocation payments and assistance. Your Relocation Advisors will ask you to certify that the business owner(s) are lawfully present in the United States. Certification of residency status for business owners or a corporation must be on file with the TJPA in order for the business owner or corporation to receive benefits.

If you believe that the TJPA has failed to properly determine your eligibility or the amount of a payment under the law, you may submit a letter of appeal and, ultimately, be heard by the San Francisco Relocation Appeals Board. You have the right to be represented by legal counsel at your own expense but the presence of legal counsel is not required. If you still believe a proper determination has not been made by the Relocation Appeals Board, you may seek judicial review. You may submit an appeal in writing to your Relocation Advisor.

It is important that you understand the matters explained in this letter and in the brochure. Please work closely with your Relocation Advisor, Ms. Jamie Guillen of AR/WS, to search for available replacement sites, plan for your move, and file claims for payment.

NTT AVETT ASSOCIATED

Ms. Jamie Guillen, Relocation Advisor Associated Right of Way Services, Inc. 2300 Contra Costa Boulevard, Suite 525 Pleasant Hill, CA 94523 (800) 558-5151 toll-free • (925) 691-6505 fax iguillen@arws.com

Sincerely,

Robert Beck, PE

Senior Program Manager

cc: Jamie Guillen, Associated Right of Way Services, Inc. Joyce Oishi, PMPC

Enclosure: Business Relocation Assistance Brochure

Certification of Delivery								
☑ This Notice was sent via first class and certified mail on ☐ This Notice was personally delivered on	SHIPPED NOV 1 3 2009							
Signature: Mebicia Climente	Date: 11/13/2009							





Maria Ayerdı-Kapları • Executive Director

November 13, 2009

Mr. Adam Curry Ms. Micky Hoogendijk 85 Natoma Street, Unit 5 San Francisco, California 94105

Subject: Transbay Transit Center Program

Notice of Potential Eligibility to Receive Relocation Assistance for

Residential Tenant Occupants

85 Natoma Street, Unit 5, San Francisco, California

Block 3721, Lot 113

Dear Mr. Curry and Ms. Hoogendijk:

The Transbay Joint Powers Authority (TJPA) plans to acquire property to allow for the development of the Transbay Transit Center Program (Program), which will replace the Transbay Terminal at First and Mission streets in San Francisco with a new Transit Center, and build a new neighborhood with approximately 2,600 new residential units. The property where you live at 85 Natoma Street, Unit 5, in San Francisco, California (Property), is one of several properties in the area that the TJPA proposes to acquire for the Transbay Program.

In response to the Property owner's request that the TJPA acquire the Property earlier than it would otherwise be required for the Program due to the Property owner's hardship, on September 15, 2009 the TJPA made a first written offer to acquire the Property. If the TJPA is successful in acquiring the Property, you would be required to relocate from the Property to allow for construction of the Program. As a result of the TJPA's offer to purchase the Property, you may be entitled to receive residential relocation assistance from the TJPA, as described below. The TJPA will send information regarding business relocation assistance under separate cover.

Notice of Potential Eligibility. As the residential occupants of the Property, you may be entitled to receive certain benefits under the TJPA's Relocation Assistance Program for Residential Occupants. These benefits are outlined below and are discussed in further detail in the Residential Relocation Assistance Brochure, which is enclosed for your review. Certain conditions must be satisfied before the TJPA will confirm your eligibility for residential

¹ The TIPA's Relocation Assistance Program is required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. Section 4601 et seq., and its implementing regulations, 49 CFR Part 24, as well as the California Relocation Act, Govt. Code Section 7260 et seq., and its implementing regulations, 25 Cal. Code Regs. Section 6000 et seq.

Mr. Curry and Ms. Hoogendijk November 13, 2009 Page 2 of 5

relocation assistance; proof of 90-day consecutive residential occupancy of the Property, a copy of the lease agreement, and legal residency certification are required for all residential occupants.

The total dollar amount of Relocation Assistance that you may be entitled to receive has not been calculated at this time. Our Relocation Consultant, Associated Right of Way Services, Inc., is preparing a Housing Valuation Study, describing the cost and availability of comparable, decent, safe, and sanitary housing in the area. Once this Study has been prepared and the TJPA receives the eligibility documentation described above, the TJPA will provide you a Conditional Entitlement Letter, describing the amount of Replacement Housing Payments that you may be entitled to receive. Please continue to work with your Relocation Advisor, Ms. Guillen, so that this determination can be made as quickly as possible.

<u>Timing of Relocation</u>. The current Program schedule has been developed in order to provide you with as much lead time as is possible to successfully relocate to a replacement dwelling of your choice. It is anticipated that you will not be required to move from the Property prior to (1) the TJPA securing possession of the Property, and (2) **August of 2010**. You will not be required to move from the Property until at least 90 days after you receive a formal, written Notice to Vacate.

Assuming you meet the eligibility requirements, you are eligible now to receive relocation assistance in accordance with the TJPA's Relocation Assistance Program for Residential Occupants. Nonetheless, we encourage you not to obligate yourself to rent or purchase a replacement dwelling until your eligibility and entitlement have been confirmed in a Conditional Entitlement Letter.

It also is important that you understand that the TJPA has not yet acquired the Property and the TJPA is not the landlord of the Property. Thus, any obligations you may have under a lease agreement for the Property, including the obligation to pay rent and provide a certain period of notice when you intend to vacate the Property, continue to apply. We will update you on the status of the TJPA's efforts to purchase the Property.

The enclosed Residential Relocation Assistance Brochure describes in detail the assistance available to eligible residential occupants of the Property. That assistance is summarized as follows:

Relocation Advisory Assistance. Your Relocation Advisor will provide you with verbal and written information regarding the assistance available to you under the TJPA's Relocation Assistance Program. Ms. Guillen is available to help you find a comparable, decent, safe, and sanitary replacement dwelling. If you would like assistance with your search for housing, please contact her at the phone number listed below. Ms. Guillen will also be available to help you to file all claims for assistance under the TJPA's Relocation Assistance Program for Residential Occupants. The TJPA strongly encourages you to work closely with your Relocation Advisor to plan your relocation before you incur any expenses.

Mr. Curry and Ms. Hoogendijk November 13, 2009 Page 3 of 5

<u>Moving Expenses</u>. You may choose one of the following options to cover costs related to moving your personal property to a replacement site:

- 1. Have the TJPA pay a professional moving company to move your personal property;
- 2. Receive a fixed moving expense and dislocation allowance of \$1,425.00 if you choose to move your own personal property; or
- 3. Choose a combination of the two moving options, depending upon your circumstances.

Your Relocation Advisor will discuss these options with you. The following moving expenses may be considered as compensable under the Relocation Assistance Program for Residential Occupants:

- A. Transportation of personal property limited to 50 miles or less. Distances beyond 50 miles are not eligible, unless the TJPA determines that relocation beyond 50 miles is justified.
- B. Packing, crating, unpacking, and uncrating of the personal property.
- C. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal property.
- D. Storage of the personal property not to exceed 12 months, unless the TJPA determines that a longer period is necessary.
- E. Insurance for the replacement value of the personal property in connection with the move and necessary storage.
- F. The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of you, your agent, or your employee) where insurance covering such loss, theft, or damage is not reasonably available.
- G. Other moving-related expenses as the TJPA determines to be reasonable and necessary.

Caution: In order to qualify for reimbursement of the above-described expenses, you must do the following:

- Provide your Relocation Advisor with an updated list of the personal property to be moved at least 30 days in advance of the start of your move.
- Notify your Relocation Advisor at least 15 days in advance of the date of the start of your move or disposition of your property.
- Permit your Relocation Advisor to monitor the move and make reasonable and timely inspections of the personal property at both the displacement and replacement sites.

Failure to comply with any of the requirements may result in your losing part or all of your benefits.

Mr. Curry and Ms. Hoogendijk November 13, 2009 Page 4 of 5

You should also be aware that under the Relocation Assistance Program for Residential Occupants you are *not* entitled to the following:

- The cost of moving any structure or other real property improvement in which you reserved ownership.
- Interest on a loan to cover moving expenses.
- Personal injury.

Comparable Replacement Housing Payment. Certain residential occupants of property may be eligible to receive assistance in renting or buying a comparable replacement dwelling. In order to be eligible, you must have lived in the property to be acquired by the TJPA as your primary residence for at least 90 consecutive days prior to the date of the TJPA's first written offer to acquire the property (Eligible Tenant Occupants). Eligible Tenant Occupants may be eligible to receive the following assistance:

A. If You Rent Replacement Housing. A Replacement Housing Payment is equal to the difference between the actual or comparable monthly rent for a replacement dwelling and the "base monthly rent" for the present home. This assistance is available for a period of 42 months and is limited to \$5,250. Additional assistance may be available, however, under the Last Resort Housing program. Replacement Housing Payments are paid in a single payment or in periodic installments, depending upon the payment amount. Please provide housing cost and income information to your Relocation Advisor so that this determination can be made as quickly as possible.

In order to receive a Replacement Housing Payment, you must rent and occupy a replacement dwelling within 12 months after you move from the property acquired by the TJPA.

B. If You Purchase A Replacement Dwelling. You may choose to apply the Replacement Housing Payment based on the rent differential (as described above) or the amount of a reasonable down payment, whichever is less, toward a down payment and incidental purchase expenses on a replacement dwelling.

If you choose to apply the Replacement Housing Payment toward a down payment, you must do so within one year after you move from the property acquired by the TJPA. If you have received any amount of Replacement Housing Payment prior to purchasing a replacement home, those amounts will be deducted from all eligible payment calculations.

You do not have to accept any dwelling referred to you by the TJPA. You may choose your own replacement dwelling, but it must be decent, safe, and sanitary to qualify for replacement housing payments.

Payments under the Relocation Assistance Program for Residential Occupants are not considered as income for the purposes of personal income tax laws. Furthermore, these payments are not considered income or resources to recipients of public assistance. Relocation payments are

201 Mission Street. Suite 2100, San Francisco, CA 94105 • 415.597.4620 • transbaycenter.org

Mr. Curry and Ms. Hoogendijk November 13, 2009 Page 5 of 5

normally made within 45 days of the date that your completed claim has been approved by the TJPA.

If you believe that the TJPA has failed to properly determine your eligibility or the amount of a payment under the law, you may submit a letter of appeal and, ultimately, be heard by the San Francisco Relocation Appeals Board. You have the right to be represented by legal counsel at your own expense but the presence of legal counsel is not required. If you still believe a proper determination has not been made by the Relocation Appeals Board, you may seek judicial review. You may submit an appeal in writing to your Relocation Advisor.

It is important that you understand the matters explained in this letter, which relate to your eligibility. If at any time you would like assistance, please contact Ms. Guillen by writing to her or telephoning her. To avoid losing part or all of your relocation benefits, the TJPA encourages you not to move from your home and not to contract to rent or purchase a replacement dwelling without first contacting Ms. Guillen.

Ms. Jamie Guillen, Relocation Advisor Associated Right of Way Services, Inc. 2300 Contra Costa Boulevard, Suite 525 Pleasant Hill, CA 94523 (800) 558-5151 toll-free • (925) 691-6505 fax iguillen@arws.com

Sincerely,

Robert Beck, PE

Senior Program Manager

cc: Jamie Guillen, Associated Right of Way Services, Inc. Joyce Oishi, PMPC

Enclosure: Residential Relocation Assistance Brochure

## ** Transmit Confirmation Report **

P.1 SHUTE MIHALY WEINBERGE Fax: 415-552-5816 Dec 10 2009 04:15pm

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#### FAX COVER SHEET

Date Sent:

December 10, 2009

Client:

145

Number of Pages: (including cover sheet)

12

Sent By:

NET

Original to Follow:

Via U.S. Mail

Time Sent: 4:00pm

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

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If there are any problems or questions related to this fax, please call our Receptionist at (415) 552-7272

## SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

E. CLEMENT SHUTE, JR. MARK I. WEINBERGER (1946-2005) FRAN M. LAYTON RACHEL B. HOOPER ELLEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KEETH WINTER KING AMANDA R. GARCIA

SENIOR COUNSEL

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LAUREL L. IMPETT, AICP CARMEN J. BORG, AICP URBAN PLANNERS

WINTER KING KING@SMWLAW.COM (415) 552-7272 Ext. 237

January 14, 2010

## Via Facsimile and U.S. Mail

Terri Brown 24849 Summerhill Avenue Los Altos, CA 94024 Facsimile: (707) 837-9083

Re: 85 Natoma #5

Dear Ms. Brown:

I received your voicemail on Tuesday afternoon, January 12, 2010, regarding the property at 85 Natoma #5 ("Property"). In that voicemail, you ask whether the TJPA has sent any correspondence to your formal legal counsel, MBV Law LLP, without copying you after receiving notice that MBV Law no longer represents you. No, it has not. On October 23, 2009, the TJPA sent you a letter informing you that TJPA needed to receive written confirmation from MBV Law that the firm was no longer representing you before TJPA could correspond with you directly. On October 26, 2009, Dwight Donovan of MBV Law provided the requested confirmation by email to me; he copied you on the email. The TJPA has not had any contact with MBV Law after Mr. Donovan's October 26 email, and has sent all correspondence since that date to you at this address.

You also inquired about the status of the TJPA's acquisition of your Property. On September 15, 2009, the TJPA offered to acquire your Property at the full amount of the TJPA's appraisal of the Property. This offer was made in response to your request that the TJPA consider early acquisition of the Property due to your financial hardship. On October 22 and 23, 2009, we were informed that you rejected this offer, and that you were preparing your own appraisal. We have not yet received any appraisal

Terri Brown January 14, 2010 Page 2

from you. The TJPA would be glad to consider any appraisal you want to provide us. The TJPA has no plans to ask the City and County of San Francisco to initiate condemnation proceedings (as opposed to following through on TJPA's offer to purchase the Property voluntarily) at this time.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Winter King

cc: Maria Ayerdi-Kaplan

## Transmit Confirmation Report **

SHUTE MIHALY WEINBERGE Fax: 415-552-5816

Andrea king haling katalan meringga dan kantalah dan pantalah menghal kenggan kengga kengga kengga banan dan d

Jan 14 2010 11:18am

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#### SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

396 HAYES STREET SAN FRANCISCO, CALIFORNIA 94102 TELEPHONE: (415) 552-7272 FACSIMILE: (415) 552-5816 WWW.SMWLAW.COM

#### FAX COVER SHEET

Date Sent:

January 14, 2010

Client:

145

Number of Pages: (including cover sheet)

Sent By:

NET

Original to Follow: Via U.S. Mail

Time Sent:

11:10 am

TO:

Terri Brown

Fax:

(707) 837-9083

FROM:

Winter King

Phone:

(415) 552-7272 Ext: 237

Fax:

(415) 552-5816

#### MESSAGE:

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If there are any problems or questions related to this fax, please call our Receptionist at (415) 552-7272

# SHUTE, MIHALY & WEINBERGER LLP ATTORNEYS AT LAW

E. CLEMENT SHUTE, JR.* MARK 1. WEINBERGER (1945-2005) FRAN M., LAYTON RACHEL B. HOOPER FILEN J. GARBER TAMARA S. GALANTER ANDREW W. SCHWARTZ ELLISON FOLK RICHARD S. TAYLOR WILLIAM J. WHITE ROBERT S. PERLMUTTER OSA L. WOLFF MATTHEW D. ZINN CATHERINE C. ENGBERG AMY J. BRICKER GABRIEL M.B. ROSS DEBORAH L. KÉETH WINTER KING AMANDA R. GARCIA SENIOR COUNSEL

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April 22, 2010

## Via Facsimile, Email, and U.S. Mail

Terri Brown
24849 Summerhill Avenue
Los Altos, CA 94024
Facsimile: (707) 837-9083

Email: tbrown39@rocketmail.com

Re: 85 Natoma #5

### Dear Ms. Brown:

We are writing in regard to your April 20, 2010 email to me and Winter King regarding your appraisal of 85 Natoma #5 ("Property"), and your April 20, 2010 email to Ms. King regarding your tenant in the Property. We respond to each of your inquiries below.

## Geller Appraisal

As to your inquiry regarding whether we received an appraisal from you, on April 8, 2010, we received a December 15, 2009 appraisal of the Property by Geller and Associates ("Geller Appraisal"). The TJPA is currently reviewing the Geller Appraisal and will provide you a formal written response.

As to your inquiry regarding reimbursement for the cost of the Geller Appraisal, as the TJPA and the City and County of San Francisco explained in September 15, 2009 correspondence to you, under California Code of Civil Procedure section 1263.025, the TJPA will pay for the actual, reasonable costs of a property owner's independent appraisal, up to \$5,000, subject to the following conditions:

Terri Brown April 22, 2010 Page 2

- (a) The property owner, not the City or the TJPA, must order the appraisal. Should the property owner enter a contract with the selected appraiser, the City and the TJPA will not be parties to the contract.
- (b) The property owner's appraiser must be a Certified General Appraiser with experience in appraising property in eminent domain actions, and licensed by the California Office of Real Estate Appraisers (OREA).
- (c) The property owner must submit a request in writing to the TJPA for reimbursement of the appraisal cost. The property owner must provide a copy of the invoice for all work completed by the appraiser.

Consistent with these criteria, please provide us a copy of the invoice for all work completed by the appraiser, and evidence of your payment of the invoice. We will transmit the documentation to the TJPA.

### Acquisition of the Property

In response to your inquiry about the process for moving forward on the acquisition of the Property, we want to remind you that on September 15, 2009, the TJPA made an offer to purchase your Property for \$1,250,000, the full amount of the TJPA's appraisal of the fair market value of the Property, and presented you the TJPA's proposed form of purchase-sale agreement. On October 22 and 23, 2009, we were informed that you rejected the TJPA's offer and were preparing your own appraisal.

The TJPA has received and is reviewing the Geller Appraisal; the TJPA will provide you a formal written response. If you and the TJPA are able to reach agreement on the terms of a voluntary purchase-sale of the Property for more than the TJPA's offer, the TJPA may need to obtain the approval of the Federal Transit Administration (FTA). If the FTA approves the compromise amount or if FTA approval is not required, TJPA staff would present a recommend purchase-sale agreement to the TJPA Board of Directors for its consideration, in its sole discretion, at a regularly scheduled Board meeting.

If the TJPA Board approves the purchase-sale agreement, the parties would open escrow for the conveyance of the Property. The parties would submit several documents, described in the purchase-sale agreement, to the escrow officer. Assuming the parties meet all of the terms of the purchase-sale agreement, escrow would close, at which time title to the Property would transfer to the TJPA and the purchase price would be wired to your account. Based on the TJPA's prior property transactions, we have found that escrow typically closes within 45 days.

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As we previously indicated, the TJPA has no plans to ask the City and County of San Francisco to initiate condemnation proceedings (as opposed to following through on TJPA's offer to purchase the Property voluntarily) at this time.

## Transbay Program Schedule

In response to your request that the TJPA provide you information regarding the TJPA's plans for development of the Transbay Program, we direct you to the TJPA's Environmental Impact Report for the project, which describes in detail the properties that the TJPA plans to acquire for the project, and any expected environmental impacts as a result of development of the project.

As to the 85 Natoma building in particular, that building is required for Phase 1 of the Program, in which the TJPA plans to build a below ground train box and the portion of the tunnel approach to the train box as it curves to the southwest across Natoma Street under 85 Natoma. The TJPA also would require the building at 85 Natoma for the downtown extension (DTX) component of the Transbay Program, known as Phase 2. The TJPA has accelerated construction of the train box, moving construction from Phase 2 into Phase 1 and, thus, is considering acquiring the building earlier than originally planned.

The TJPA has entered a contract to demolish the existing Transbay Terminal and bus ramps. The TJPA anticipates authorizing the contractor to proceed with demolition in late summer 2010, although that schedule is subject to change. The demolition contract does not currently include the 85 Natoma building.

#### Tenant

In response to your statement that your tenant has vacated the Property, as we previously indicated, the TJPA has notified your tenant at least twice that the TJPA has not acquired the Property, the TJPA is not the landlord, and any rights or obligations the tenant may have under their lease with you remain in effect. We were not aware that the tenant had vacated the Property.

#### Communications

In response to your inquiry as to who you should direct your communications to, please

Terri Brown April 22, 2010 Page 4

direct your correspondence in writing to me at the address listed above and/or via email (email: keeth@smwlaw.com).

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

Deborah L. Keeth

Durbt

cc: Maria Ayerdi-Kaplan

# LITIGATION

ENDORSED JONATHAN S. O'DONNELL (State Bar No. 100051) 1 DWIGHT C, DONOVAN (State Bar No. 114785) MBV LAW LLP 2 2009 JUL 28 AM 1:59 855 Front Street San Francisco, California 94111 3 GORDON FARR-LL CLERK Telephone: (415) 781-4400 Facsimile: (415) 989-5143 ASE MANAGEMENT CONFERENCE SET 4 Attorneys for Plaintiff 5 TERRI BROWN DEC 3 1 2009 - 9 MAM AND MANUATED TO 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF SAN FRANCISCO - UNLIMITED JURISDICTION 9 10 CASE NO. 060-09-490878 11 TERRI BROWN, Plaintiff, 12 COMPLAINT FOR INVERSE CONDEMNATION 13 TRANSBAY JOINT POWERS 14 [CAL. CONST. ART. 1, Section 19] AUTHORITY; REDEVELOPMENT AGENCY OF THE CITY AND COUNTY 15 OF SAN FRANCISCO; and DOES 1 through 30, inclusive, 16 Defendants. 17 BY FAX 18 Plaintiff alleges: 19 Plaintiff is, and all times herein mentioned was, the owner of real property and 20 improvements located at 85 Natoma, Unit 5, in the City and County of San Francisco, more 21 specifically described in the legal description attached to this complaint as Exhibit A. Plaintiff's 22 property interest is referred to in this complaint as the "Subject Property." 23 Plaintiff is informed and believes and thereon alleges that defendant TRANSBAY 24 JOINT POWERS AUTHORITY ("TJPA") is, and all times herein mentioned was, a public entity 25 organized and existing under the laws of the State of California. Plaintiff is informed and 26 believes and thereon alleges that the TJPA Board of Directors is comprised of representatives 27 from the City and County of San Francisco, the Alameda-Contra Costa Transit District 28 COMPLAINT FOR INVERSE CONDEMNATION

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("AC Transit"), and the Peninsula Corridor Joint Powers Board-CalTrain.

- 3. Plaintiff is informed and believes and thereon alleges that defendant REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO is, and all times herein mentioned was, a public entity organized and existing under the laws of the State of California. Plaintiff is informed and believes and thereon alleges that the REDEVELOPMENT AGENCY has been granted powers of eminent domain in connection with acquiring real property to redevelop and construct the project identified herein.
- 4. Plaintiff is informed and believes and thereon alleges that the TJPA has powers of eminent domain in connection with acquiring real property to redevelop and construct the TransBay Transit Center, which will replace the existing TransBay Terminal at First and Mission Streets in San Francisco; extend the CalTrain terminus from its current location at Fourth and Townsend to the new downtown transit center, which will also serve as the San Francisco station for future California High Speed Rail; and create a new neighborhood adjacent to the new Transit Center.
- 5. Plaintiff is ignorant of the true names and capacities of the defendants sued herein as DOES 1 through 30, inclusive, and therefore sues said defendants by such fictitious names.

  Plaintiff will amend this Complaint to insert their true names and capacities when ascertained.
- 6. Plaintiff is informed and believes, and on that basis alleges, that each of the fictitiously named defendants is in some manner responsible for the injury and damage to plaintiff alleged herein. Plaintiff is also informed and believes, and thereon alleges, that those fictitiously named defendants are, and at all times herein mentioned were, the agents, servants, and employees of their co-defendants and were acting within such authority at the time of the acts herein alleged.
- 7. From and after January, 2005, defendants, and each of them, engaged in the following acts which constitute a de facto taking of plaintiff's property under the California Constitution and California law.
- 8. Plaintiff originally purchased the Subject Property in September, 2003 as an investment property, with the goal of selling it after holding it for approximately two years. She

entered into a listing agreement to sell the property in January, 2005, at a sales price of \$1,550,000.

- 9. Plaintiff secured a potential buyer for the Subject Property. However, the buyer backed out of the purchase after learning, upon conducting due diligence, that defendant had plans to acquire and demolish the building. This came as a complete surprise to plaintiff.
- 10. Thereafter, plaintiff was in regular contact with Harry Quinn, identified as an acquisition consultant for TJPA, who repeatedly advised plaintiff that the Subject Property would be condemned and acquired by the end of 2005.
- 11. At the time, the Subject Property was leased to Echopass Corp. In the Summer of 2005, Echopass advised of its intention not to renew the lease due to its understanding that TJPA's plans for condemnation and planned construction in the surrounding areas would make the space functionally uninhabitable. The Subject Property is designated as work/live loft space. Echopass vacated the premises at the end of its lease term, in the Summer of 2005.
- 12. Plaintiff attempted to re-let the premises, with no success. Based on ongoing representations from Mr. Quinn to the effect that condemnation and purchase of the property would occur by the end of the year, plaintiff elected to mitigate damages by selling her residence and moving into the property pending acquisition. The end of the year came and went, and TJPA failed to purchase the property or institute formal condemnation proceedings.
- 13. By April of 2006, plaintiff learned that another tenant in the building was interested in short term occupancy. Plaintiff, who was living in the Subject Property with her 11 year old daughter, had already overstayed her period of intended occupancy, and was concerned with the safety and noise elements of the neighborhood on her daughter's behalf. She therefore leased the unit at below market rent to the above-described tenant.
- 14. On August 11, 2006, over a year and a half after plaintiff had been unable to sell the Subject Property due to TJPA's dissemination of information concerning condemnation plans, and over a year after TJPA had told her it would purchase the Subject Property, plaintiff received a telephone message from counsel for TJPA, advising that Mr. Quinn had no authority to speak on behalf of the TJPA, and advising that condemnation of the Subject Property was not

in fact imminent.

- 15. On August 11, 2006, plaintiff was told that the TJPA had decided to split the TransBay Terminal Development Project into two phases Phase 1 and Phase 2. Plaintiff was told that her property had been moved from Phase 1 to Phase 2, and would not be acquired until 2012 or 2014, if at all. Notwithstanding, there were documents in the public record, including environmental impact assessments, declaring that the Subject Property would be purchased and vacated prior to or concurrently with Phase 1 construction, which was to commence in 2006.
- 16. Plaintiff is informed and believes and thereon alleges that TJPA proceeded with acquisition of properties directly adjacent to hers, and is proceeding with construction plans that threaten to, and will, directly impact her property. Among other things, these plans include shutting down Natoma Street, tearing down a security wall of plaintiff's garage that also serves as a boundary to plaintiff's property, performing extensive demolition, and thereafter initiating around-the-clock heavy construction on all sides of the Subject Property. These threats, and references thereto in the public record and elsewhere, made it virtually impossible for plaintiff to market her property, and continue to do so.
- 17. Plaintiff attempted to mitigate damages by trying to lease the premises. Plaintiff was advised by her leasing agent in December of 2006 that he did not believe he could secure a live/work tenant at market rent in the Subject Property due to the impending development of the TransBay Terminal Project. Plaintiff was advised that potential live/work tenants are looking to lock in a two to three year lease to insure business stability, and are not willing to endure the threat of 24/7 construction activity directly adjacent to the property, all of which would need to be disclosed to prospective tenants. Plaintiff was told that she might be able to lease the property on a short term basis at below market value, which she attempted to do.
- 18. Plaintiff also renewed her attempts to sell the Subject Property after hearing from TJPA's counsel. However, brokers refused to list the property. Among the comments received from brokers were the following: "Since this building is in the process of being taken over by the City through the eminent domain process, I will not be able to sell this property at fair market value"; "You won't be able to sell that property"; "I wouldn't touch this listing with a stick"; and

"Good luck trying to sell that property."

- 19. When plaintiff attempted to list the Subject Property, she was advised by a potential broker that certain clouds on title appeared in connection with the Subject Property, including the following. Unbeknownst to plaintiff, on or about August 4, 2006, a document clouding plaintiff's title had been recorded by defendant REDEVELOPMENT AGENCY with the San Francisco County Assessor-Recorder as Document 2006-I224836-00, constituting a redevelopment plan, and placing the public on further notice that plaintiff's property would be acquired by the powers of eminent domain. Plaintiff is informed and believes and thereon alleges that this publicly recorded document appears on any title report prepared in connection with the Subject Property.
- 20. Further unbeknownst to plaintiff, on or about August 4, 2006, defendant REDEVELOPMENT AGENCY recorded with the San Francisco County Assessor-Recorder as Document 2006-I224839-00 a document entitled TransBay Redevelopment Project Area Declaration of Restrictions, purporting to impose restrictions on plaintiff's property. Plaintiff is informed and believes that this document is a matter of public record which will appear on any title report prepared in connection with the Subject Property.
- 21. As a result of the foregoing, plaintiff was unable to sell the Subject Property, and she has only sporadically been able to lease it for short periods of time, at below-market rents. Meanwhile, her financing (which was obtained in 2003 at an adjustable rate, predicated upon plaintiff's intent to only hold the property for two years) has adjusted significantly upwards, creating a drastic negative economic impact upon plaintiff.
- 22. Meanwhile, the TJPA's plans, and the delineation of boundaries and work to be effected during purported Phase 1 and purported Phase 2, continued and continues to shift.
- 23. TJPA counsel advised plaintiff that her only recourse was to submit a hardship application requesting early action on the acquisition of her property. Notwithstanding, TJPA has not acted in good faith in processing this hardship application, repeatedly asking for information that had already been provided to it; dragging its feet with respect to processing the application; and giving plaintiff inconsistent information over the telephone and in writing. The

"hardship application" process has dragged on for over two full years, with no results.

- 24. In order to avoid defaulting on her financial obligations on the Subject Property, plaintiff has attempted to sell a separate property in Healdsburg, California at a loss. Plaintiff placed this property on the market in December, 2007, and has been unable to sell the property despite reductions in the asking price that, even if accepted, would not make her whole. Plaintiff is currently three months behind on payments on this property, and in all likelihood will lose the property in foreclosure. Plaintiff has further been required to spend a significant amount of money on legal fees as a result of the wrongful behavior of defendants.
- 25. Plaintiff is informed and believes and thereon alleges that within the past two weeks, other owners of property within the building (but not plaintiff) have been notified, in writing, that TJPA now intends to condemn the entire building as part of Phase 1. TJPA's acts, in excluding plaintiff from this dialogue, are further evidence of unreasonable pre-condemnation activity.
- 26. The above-alleged acts of defendant, and each of them, constitute unreasonable pre-condemnation activity for which plaintiff is entitled to compensation in inverse condemnation.
- As a direct and proximate result of the unreasonable pre-condemnation activities of defendants, plaintiff's property has diminished in value in an amount subject to proof at trial. Further, defendants' unreasonable pre-condemnation activities have affected plaintiff's ability to rent her property at its fair market value, thereby resulting in lost rental income in an amount according to proof at trial. Plaintiff has further been damaged in terms of being forced to prematurely sell her personal residence as alleged in paragraph 12 above, in being required to sell the Healdsburg property at a loss or to lose the property to foreclosure as alleged in paragraph 22, above, and in incurring legal fees and brokers' commissions, in addition to other damages which shall be proven at trial.
- 28. The above-alleged acts constitute a taking and damage to property without compensation, contrary to Article 1, Section 19 of the California Constitution.

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WHEREFORE, plaintiff prays for judgment against defendants, and each of them, as follows:

- 1. For general and special damages, including, without limitation, diminution in market value and lost rental income, in an amount according to proof;
- 2. For plaintiff's reasonable attorneys' fees and appraisal fees incurred in connection with this action;
  - 3. For costs of suit; and
  - 4. For such and further and relief as this Court may deem just and proper.

DATED: July 28, 2009

MBV LAW LLP

By:

DWIGHT C. DONOVAN

Attorneys for Plaintiff TERRI BROWN

Order No.: 0227001343-CGN

## EXHIBIT "A" LEGAL DESCRIPTION

The land referred to is situated in the State of California, City and County of San Francisco, and is described as follows:

#### PARCEL I:

Condominium Unit No. 5, Lot No. 113, as shown upon the Condominium Map and diagrammatic floor plan entitled, "Map of 85 NATOMA STREET, A LIVE/WORK CONDOMINIUM PROJECT, BEING A SUBDIVISION OF LOT 90 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED JUNE 24, 1998 IN BOOK 43 OF PARCEL MAPS AT PAGE 181, BEING A PORTION OF ASSESSOR'S BLOCK 3721, SAN FRANCISCO, CALIFORNIA", which Map was filed for record in the office of the Recorder of the City and County of San Francisco, State of California, on December 18th, 2000, in Book 66 of Condominium Maps, at Pages 18 to 22, inclusive, (referred to herein as "the Map") and as further defined in the Declaration of Covenants, Conditions and Restrictions recorded on April 9th, 2001, in Book H862, Page 70 of Official Records of the City and County of San Francisco, State of California (referred to herein as "the Declaration").

EXCEPTING THEREFROM any portion of the common area lying within said Unit.

## EXCEPTING THEREFROM:

- (a) Easements through said Unit, appurtenant to the common area and all other Units, for support and repair of the common area and all other
- (b) Easement, appurtenant to the common area for encroachment upon the air space of the Unit by those portions of the common area located within the Unit.

#### PARCEL 11:

An undivided 12.62% interest in and to the Common Area as shown and defined on the Map, excepting therefrom the following:

- Exclusive easements, other than PARCEL III, as designated on the Map and reserved to Units for use as designated in the Declaration; and
- Nonexclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

#### PARCEL III:

- The exclusive easement to use Deck Area designated D-5, on the Map;
- The exclusive easement to use Parking Area designated P-6, on the Map.

#### PARCEL IV:

A nonexclusive easement appurtenant to PARCEL I above for support, repair and maintenance, and for ingress and egress through the Common Area.

ANDREW W. SCHWARTZ (State Bar No. 87699) WINTER KING (State Bar No. 237958) SHUTE, MIHALY & WEINBERGER LLP 396 Hayes Street San Francisco, CA 94102 Telephone: (415) 552-7272 (415) 552-5816 Facsimile: SEP 1 1 2009 GORDON PARKLI, Clerk Attorneys for Defendant TRANSBAY JOINT POWERS AUTHORITY HIV - WASTELL GATH CHURN SHORK 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 12 Case No. CGC-09-490878 TERRI BROWN, 13 MEMORANDUM OF POINTS AND Plaintiff, 14 AUTHORITIES IN SUPPORT OF **NDANT TRANSBAY JOINT POWERS** 15 THORITY'S DEMURRER TO PLAINTIFF TERRI BROWN'S TRANSBAY JOINT POWERS AUTHORITY; COMPLAINT FOR INVERSE REDEVELOPMENT AGENCY OF THE CITY CONDEMNATION AND COUNTY OF SAN FRANCISCO; and DOES 1 through 30, inclusive, October 13, 2009 Date: 18 9:30 a.m. Time: Defendants. 302 Dept.: 19 July 28, 2009 Action Filed: 20 Trial Date: N/A 21 22 23 24 25 26 27 28 MPA IN SUPPORT OF TJPA'S DEMURRER CASE NO. CGC-09-490878

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### INTRODUCTION

Plaintiff Terri Brown ("Brown") is a real estate investor and landlord of a condominium located within the area planned for the new Transbay Transit Center Project ("Transit Center" or "Project"). The Transit Center will replace San Francisco's outdated Transbay Terminal with a new, one million square foot multi-modal Transit Center—the "Grand Central Terminal of the West"—which will combine all public transit in San Francisco under one roof. The Transit Center will also be the new San Francisco station for Caltrain and the Northern California terminus for high-speed rail. The Project will be a model for Transit-Oriented Development. By saving thousands of daily vehicle trips into San Francisco, it will play a crucial role in the fight against global warming.

If all goes according to plan, the agency responsible for carrying out the Project, Defendant Transbay Joint Powers Authority ("TJPA"), will acquire Brown's investment property, either through a voluntary sale or eminent domain, when that property is needed to construct the Project and when funding is available. Thus far, however, the TJPA has engaged in planning for the Project only; it has taken no official action to begin condemnation proceedings. Nor has the TJPA interfered in any way with Brown's ability to use her investment by leasing it, selling it, or living in it.

Brown's complaint against the TJPA boils down to no more than this: the TJPA has adopted a plan for a substantial public infrastructure project and has identified Brown's property, among scores of others, as needed for the Project. Brown contends that as a result of these actions, Brown has been unable to sell her investment or charge market rental rates for several years. Brown contends that the TJPA's conduct effected a "de facto" or "regulatory" taking of her property. Brown has alleged planning activity only; she has not alleged that the TJPA has taken any regulatory action that has interfered in any way with her use of the property. To the contrary, the Brown's Complaint for Inverse Condemnation ("Complaint" or "Compl.") alleges that Brown has resided in and rented out the property over the last several years. Thus, the Complaint fails to state a claim for a "regulatory" taking.

Brown further contends that the TJPA's planning activity constitutes "unreasonable precondemnation conduct." Assuming the truth of Brown's allegations, however, Brown fails to state a cause of action for damages against the TJPA. Under settled law, the TJPA's planning activity, without any direct interference with Brown's use, development, or sale of her property, is not actionable.

infrastructure projects would come to a grinding halt. Such projects can require lengthy planning, including environmental review, public participation, funding, and design, prior to any actual acquisition of real property. Throughout this process, plans can change, eliminating the need to acquire some property and creating the need to acquire others, or adjusting the schedule of acquisition due to financial or other limitations. Public agencies simply could not build public projects if they were liable for damages to every owner of property affected by the project immediately upon the agency's indication in a planning document that private property may be required to carry out the project. California courts have recognized this significant policy concern in consistently rejecting such claims.

Indeed, if Brown's allegations could render a public agency liable for damages, all public

#### **FACTS**

### I. THE TRANSBAY TRANSIT CENTER PROJECT.

The TJPA is a public entity responsible for planning, constructing, and managing the Transbay Transit Center Project at a total estimated cost of \$4.5 billion. The Transit Center will feature a 5.4-acre public park and "green roof" atop the facility. Bus ramps will connect the new Transit Center directly to Interstate 80 and the Bay Bridge. The Project will extend the Peninsula corridor Caltrain commuter rail service from its current San Francisco terminus, which is more than 1.3 miles from the heart of San Francisco's employment center, to the new downtown Transit Center through an underground tunnel, connecting California's technology center with San Francisco's financial hub. The Transit Center will be the San Francisco station for California High Speed Rail that will connect the Northern and Southern halves of the State with trains that will make the trip from San Francisco to Los Angeles in 2 ½ hours.

The Transbay Project will centralize the region's transportation networks by connecting eight Bay Area counties, create seamless connections between transit providers by accommodating nine transit systems under one roof, and serve more than 100,000 passengers per day. The Project will increase bus and rail ridership throughout the Bay Area and the State by improving access and connectivity to public transportation. The Project will improve the environment by reducing auto traffic, fuel consumption and associated emissions by providing numerous and interconnected transit alternatives to automobiles and airplanes. It is anticipated that the Project will reduce greenhouse gas emissions by 42,000 tons annually.

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The Transbay Project will also create California's largest transit-friendly neighborhood, with 2,600 new homes (35 percent of which will be affordable, including extremely low-income housing and senior housing), public parks, 3 million square feet of new office space, and 100,000 square feet of retail serving transit passengers.

Finally, the Project will create more than 45,000 jobs. It will be one of the largest construction projects ever conducted in the San Francisco Bay Area.

### II. BROWN'S ALLEGATIONS.

Brown's Complaint makes the following allegations, which the TJPA assumes are true for purposes of this demurrer only:

Brown is the owner of Unit 5 of a building at 85 Natoma Street in San Francisco, California ("Property"). Brown purchased the Property as an investment in September 2003 with the goal of holding it for approximately two years. (Compl. ¶¶ 1, 8.) In January 2005, Plaintiff listed the property at a sales price of \$1,550,000. (Id. ¶ 8.)

The TJPA is a public entity whose Board of Directors is comprised of representatives from the City and County of San Francisco, the Alameda-Contra Costa Transit District, and the Peninsula Corridor Joint Powers Board. (Id. ¶ 2.) The TJPA has the authority to acquire properties by eminent domain to develop and construct the Transit Center. (Id. ¶ 4.) The Transit Center will replace the existing Transbay Terminal at First and Mission Streets in San Francisco, extend the Caltrain terminus from its current location at Fourth and Townsend to the new Transit Center, and serve as the San Francisco station for future high-speed rail. (Id.) The Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") is a public entity with authority to acquire property to redevelop the Transbay area. (Id. ¶ 3.)

The TJPA plans to acquire and demolish the Property, and disseminated that information to the public. (Id. ¶¶ 9, 14.) The TJPA placed documents in the public record, including environmental impact assessments, stating the Property would be purchased and vacated in the first phase of Project construction, which was to commence in 2006. (Id. ¶ 15.) Sometime in 2005, an "acquisition consultant" for the TJPA repeatedly advised Brown that her Property would be condemned and acquired by the end of 2005. (Id. ¶ 10.) The TJPA did not purchase the Property or institute formal

On or about August 4, 2006, the Redevelopment Agency recorded a redevelopment plan and a document entitled "TransBay Redevelopment Project Area Declaration of Restrictions" with the San Francisco County Assessor-Recorder. (*Id.* ¶ 19, 20; *see also* Defendant TJPA's Request for Judicial Notice ("RJN") Ex. A.) These publicly recorded documents appear on title reports prepared in connection with the Property. (Compl. ¶ 19, 20.) The Complaint is silent as to whether any of the "restrictions" in that document limit the use, sale, or development of the Property.

On August 11, 2006, counsel for the TJPA telephoned Brown and advised her that the "acquisition consultant" had no authority to speak on behalf of the TJPA, and told her that condemnation of her Property was not imminent. (Id. ¶ 14.) That same day, an unnamed individual told Brown that the TJPA had split the Transit Center Project into two phases. This individual told Brown that the Property would not be acquired until "2012 or 2014, if at all." (Id. ¶ 15.)

The TJPA has "proceeded with acquisition" of properties directly adjacent to Brown's Property. (Id. ¶ 16.) The TJPA is proceeding with construction plans "that threaten to, and will" impact the Property by shutting down Natoma Street; removing a wall that serves as one of the Property's boundaries; and performing demolition and "around-the-clock heavy construction" surrounding the Property. The TJPA has made these construction plans available in the public record and elsewhere. (Id. ¶ 16.) However, the TJPA continues to shift its plans, adjusting the boundaries of work to be conducted during the two phases of Project construction and the areas that will be affected by that work. (Id. ¶ 22.)

Sometime in July 2009, an unnamed individual notified other owners of units in 85 Natoma that the TJPA intends to condemn the building as part of the first phase of Project construction. (Id. ¶ 25.)

As a result of the activities of the TJPA and the Redevelopment Agency, the Property has diminished in value in an unspecified amount. (*Id.* ¶ 27.) Brown has been unable to sell the Property, and her financing on the Property has adjusted upwards, creating a "drastic negative economic impact" on Brown. (*Id.* ¶ 21.) In 2005, Brown secured a potential buyer for the Property, but the buyer backed out of the purchase after learning that TJPA had plans to acquire and demolish the building. (*Id.* ¶ 9.) To avoid defaulting on the Property, Brown has attempted to sell a separate property in Healdsburg,

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California "at a loss," but has been unable to do so and will likely lose that property in foreclosure. (Id. ¶¶ 24, 27.) Brown has incurred legal fees and brokers' commissions. (Id. ¶ 27.)

Brown's ability to rent the Property at the market rate has been "affected" and she has lost rental income. (Id.) In 2005, her tenant advised her of its intention not to renew the lease due to its understanding that the TJPA's plans for condemnation and construction in the surrounding areas would make the space functionally uninhabitable. (Id. ¶ 11.) When Brown was unable to lease the Property in 2005, she sold her residence and moved into the Property. (Id. ¶ 12, 27.) Around April 2006, Brown leased the Property at below-market rent to another tenant in the building. (Id. ¶ 13.) Since that time, Brown has been able to lease the property for short periods of time, at below-market rent. (Id. ¶ 21.)

The TJPA's counsel advised Brown that "her only recourse" was to submit a hardship application requesting early action on the acquisition of the Property. (Id. ¶ 23.) In processing Brown's hardship application, the TJPA has repeatedly asked for information that has already been provided; dragged its feet; and given Brown inconsistent information over the phone and in writing. The TJPA has not yet approved the hardship application 2 ½ years after it was filed. (Id. ¶ 23.)

The Complaint does not enumerate causes of action distinct from the background facts. However, paragraphs 7 and 26-28 allege that Brown is entitled to inverse condemnation damages for the "de facto" taking of her Property and for the TJPA's unreasonable pre-condemnation activities.

### STANDARD OF REVIEW

A complaint for inverse condemnation is subject to demurrer. (Selby Realty Co. v. City of San Buenaventura (1973) 10 Cal.3d 110, 113.) A demurrer is appropriate where a complaint fails to state facts sufficient to constitute a cause of action. (Code Civ. Proc. § 430.10.) In reviewing the sufficiency of a complaint against a general demurrer, the Court treats the demurrer as admitting all material facts properly pleaded, but not contentions, deductions, or conclusions of fact or law. (Rakestraw v. California Physicians' Service (2000) 81 Cal. App. 4th 39, 43.) The Court also considers matters that may be judicially noticed. (Id.) If a complaint includes allegations that conflict with judicially noticed documents or represent bare legal conclusions, the Court must disregard those allegations when assessing the sufficiency of the pleading. (McAllister v. County of Monterey (2007) 147 Cal. App. 4th 253, 289.) "[I]t is proper to sustain a demurrer without leave to amend if it is probable from the nature

of the defects and previous unsuccessful attempts to plead that plaintiff cannot state a cause of action." (Lee v. Interinsurance Exchange (1996) 50 Cal.App.4th 694, 724.)

### ARGUMENT

## I. THE COMPLAINT FAILS TO STATE A CAUSE OF ACTION FOR A "DE FACTO" TAKING.

The Complaint claims that Brown is entitled to damages because the TJPA's actions constitute a "de facto taking." (Compl. ¶ 7.) A "de facto" or "regulatory" taking occurs when "government regulation of private property [is] so onerous that its effect is tantamount to a direct appropriation or ouster . . . ." (Lingle v. Chevron U.S.A., Inc. (2005) 544 U.S. 528, 537). However, the Complaint fails to allege any regulatory action by the TJPA whatsoever. Nor could it, because the TJPA has no authority to regulate the use of Brown's property. (See RJN Ex. A, at 14 [land uses within Zone 2 of Redevelopment Plan shall be consistent with City's General Plan and Planning Code]; id. at 39 [showing Natoma street within Zone 2].)

The Complaint also fails to allege that the TJPA's actions denied Brown all use of the Property—allegations that are required to support a regulatory takings claim. (Smith v. City and County of San Francisco (1990) 225 Cal.App.3d 38, 45-46 ["Smith v. San Francisco"] [citing cases]; Terminals Equipment Co. v. City and County of San Francisco (1990) 221 Cal.App.3d 234, 238-39.) In fact, Brown does not allege that the TJPA's actions (which so far have been limited to planning the development of the Transit Center) have interfered with her use of the property in any way. To the contrary, the Complaint indicates that Brown has continued to use the Property, living there for some time in 2005 and 2006, and leasing it to several tenants over the last four years. (Compl. ¶¶ 12, 13, 21). While the Complaint suggests that the TJPA's plans have prevented her from receiving full market rent from her tenants, such an impact clearly does not rise to the level of depriving Brown of "all use" of her property. (See Terminals, 221 Cal.App.3d at 242 ["inverse condemnation does not lie in zoning actions in which the complaint alleges a mere reduction of market value"].) As a result, Brown has failed to allege facts sufficient to support a regulatory takings claim.

# II. THE COMPLAINT FAILS TO STATE A CAUSE OF ACTION FOR DAMAGES CAUSED BY UNREASONABLE PRECONDEMNATION ACTIVITY UNDER KLOPPING V. WHITTIER.

Brown also apparently seeks damages for "unreasonable precondemnation activity" under Klopping v. City of Whittier (1972) 8 Cal.3d 39. In that case, the California Supreme Court held that a landowner may recover certain damages accruing prior to the condemnation of her property if: "(1) the public authority [condemning the property] acted improperly either by unreasonably delaying eminent domain action following an announcement of intent to condemn or by other unreasonable conduct prior to condemnation; and (2) as a result of such action, the property in question suffered a diminution in market value." (Id. at 52.) The Court recognized the need for such a remedy to protect landowners from a condemning agency taking actions to "depress the market value of the property for the purpose of acquiring it at less than market value." (Id. at 51 [quoting Buena Park School Dist. v. Metrim Corp. (1959) 176 Cal.App.2d 255, 258-259].)

Thus, to state a claim for damages under *Klopping*, Brown must at the very least allege that the TJPA has either (1) made a formal announcement that it intends to condemn the Property, after which the TJPA unreasonably delayed filing a condemnation action, or (2) acted unreasonably prior to condemning the Property. Brown has not and cannot do so.

Instead, the only actions Brown alleges in support of her claim under *Klopping* are: (1) the TJPA has referred to its plans to construct the Transit Center in "the public record and elsewhere"; (2) an "acquisition consultant" for the TJPA repeatedly advised Brown that her Property would be condemned and acquired by the end of 2005; and (3) the Redevelopment Agency recorded a redevelopment plan and Declaration of Restrictions with the County Assessor. Courts have routinely denied *Klopping* damages when presented with similar allegations of government planning activities.

# A. Brown's Claim for *Klopping* Damages Must Be Dismissed Because the TJPA Has Not Actually Condemned the Property.

Brown's claim for precondemnation damages must be dismissed because the Complaint fails to allege that the Property has actually been condemned, either by an action in eminent domain or by a regulatory action depriving Brown of the use of her Property. As one court succinctly reasoned: "By definition, damages for precondemnation conduct require that the property be *condemned*," (Smith v.

The Complaint does not allege that the TJPA has filed an action in eminent domain to condemn the property directly. Nor, for the reasons stated above (see supra Section I), does it state a claim for inverse condemnation under a "regulatory taking" theory. In the absence of either a direct or indirect condemnation of the Property by the TJPA, Brown cannot state a claim for precondemnation damages. Indeed, Defendant TJPA has been unable to find a single published opinion in which a court has granted or upheld Klopping damages in the absence of condemnation.

## B. Brown's Claim for *Klopping* Damages Must Be Dismissed Because the TJPA Has Not Announced Its Intent to Condemn the Property.

Even if actual condemnation were not required to establish a cause of action for precondemnation damages under *Klopping*, an official announcement of the agency's intent to condemn is. "In order for any right to pre-condemnation damages to accrue, . . . there must have been either some formal announcement by the condemning agency of its intention to condemn, or some other official act or expression of intent to acquire the property in question." (*Terminals*, 221 Cal.App.3d at 245.) Without this official action, there can be no cause of action in inverse condemnation for unreasonable precondemnation activities. (*Toso v. City of Santa Barbara* (1980) 101 Cal.App.3d 934, 957; see also

Indeed, Plaintiff alleges that she has submitted a hardship application for early acquisition of her property (Compl. ¶ 23), a process that would not be necessary if the TJPA Board had instituted eminent domain proceedings. (See California Department of Transportation Right Of Way Manual §§ 5.03.00 et seq. [authorizing acquisition by the state prior to when the project requires acquisition of the property if hardship shown].)

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Guinnane v. City and County of San Francisco (1987) 197 Cal. App.3d 862, 866 [granting city's motion for summary judgment because "there was never any announcement by the city of an intention to condemn plaintiff's property."].)

Pursuant to Code of Civil Procedure section 1245.220, the only way for a public agency to initiate condemnation proceedings is for its governing body to adopt a "resolution of necessity." (Code Civ. Proc. § 1245.220 ["A public entity may not commence an eminent domain proceeding until its governing body has adopted a resolution of necessity . . ."].) Brown has not alleged, nor can she allege, that the governing body of the TJPA, its Board of Directors, has adopted a resolution of necessity for the acquisition of Brown's Property.

## 1. Planning Alone Cannot Subject the TJPA to Liability for Klopping Damages.

In the absence of a resolution of necessity, Brown attempts to establish an official "announcement of an intent to condemn" by pointing to the TJPA's plans to carry out the Transit Center Project. However, courts have consistently and unanimously denied *Klopping* damages claimed when the only alleged "announcement of an intent to condemn" comes in the form of an agency's general plan for public infrastructure improvements. (*Selby*, 10 Cal.3d at 117-18 [city and county adoption of general plan showing location of proposed street crossing plaintiff's property did not state inverse condemnation claim]; *Guinnane*, 197 Cal.App.3d at 867 [city's designation of property as open space in its master plan and indicating it may be acquired did not state a *Klopping* claim]; *Contra Costa Water District v. Vaquero Farms, Inc.* (1997) 58 Cal.App.4th 883, 896, 903 [denying recovery under *Klopping* for property's diminution in fair market value caused by adoption of an Environmental Impact Report that showed the property as part of a reservoir project]; *Terminals*, 221 Cal.App.3d at 246 [no precondemnation *Klopping* damages for designation of property for public use in redevelopment plan where there was no formal announcement of intent to acquire]; *City of Walnut Creek v. Leadership Housing Systems, Inc.* (1977) 73 Cal.App.3d 611, 622 ["The right of a governmental body to plan for the acquisition of property is unquestioned."].)

Thus, in Selby, the Supreme Court rejected a precondemnation damage claim for damages caused by a city and county's approval of a general plan designating the plaintiff's property as a public right-of-way. According to the Court, "[n]either Klopping nor any other decision of which we are aware

If a governmental entity and its responsible officials were held subject to a claim for inverse condemnation merely because a parcel of land was designated for potential public use on one of these several authorized plans, the process of community planning would either grind to a halt, or deteriorate to publication of vacuous generalizations regarding the future use of land.

(Id. at 120 [emphasis added; footnote omitted].)

Following Selby, the court in Smith v. California (1975) 50 Cal.App.3d 529 ("Smith"), rejected a claim for damages allegedly caused by the State Highway Commission's plan to construct a freeway over the plaintiffs' property. (Id. at 531, 536.) In that case, the plaintiffs alleged that the Commission's plan showed that a substantial part of the plaintiffs' property would be needed for the construction of the freeway. (Id. at 531) In addition, the State Highway Commission had planned the acquisition of the necessary rights-of-way and the construction of the freeway in four increments, requiring several years for each. (Id. at 534) The final acquisition schedule was dependent upon the availability of funding and traffic priorities. (Id.)

The Smith court held that such allegations fell "many leagues short" of those necessary to state a claim for inverse condemnation damages.

[I]nvocation of the doctrine of inverse condemnation or the assessment of damages against the state upon the public announcement of the state's plan [to develop a freeway] would result in acquisition of large amounts of property that may never be used and would inordinately increase the cost of any such project. The real result would be a severe hampering of the state's ability to undertake necessary and worthwhile improvements in our highway system.

(Id. at 536 [emphasis added].) The court further recognized that, for major public works projects, "[d]eliberate pace in acquisition and construction is demanded by the applicable laws" and that the timing of acquisition of property will often result from "prudent scheduling . . ., which takes into account an annual appropriation procedure, communication with the public by way of open hearings and on-going studies of environmental impact." (Id. at 536-37.)

These same considerations require dismissal of the case at hand. Here, Brown has not alleged that the TJPA has begun condemnation proceedings by adopting a resolution of necessity, as required by Code of Civil Procedure section 1245.220. (Code Civ. Proc. § 1245.220 ["A public entity may not commence an eminent domain proceeding until its governing body has adopted a resolution of necessity."].) Nor has Brown alleged any other official action taken by the TJPA Board of Directors specifically indicating its intention to condemn her Property.

Rather, Brown has alleged that she is entitled to damages because her property, along with many other properties, is included in plans for the development of the Transit Center. However, as *Selby* and *Smith* show, such planning efforts are not sufficient to support a claim for *Klopping* damages. (*See also Johnson v. California* (1979) 90 Cal.App.3d 195, 199 ["*Klopping* was not intended to inhibit long-range planning of public projects or to require that property for proposed public improvements be purchased before it may be needed."].) Like any public agency carrying out a major public works project, the TJPA must conduct its planning in a public forum, refine designs in greater and greater detail, and proceed at a deliberate pace, scheduling acquisition in response to the evolving demands, timelines, and availability of funding for the project.

If this Court were to find that such planning activities exposed the TJPA to liability, neither the Transit Center nor any other major public works project could proceed because the public agency building the project would be required either to (1) acquire all property that may be necessary for the project immediately following the announcement of a plan for the project—whether the property was ultimately required for the project, the agency was ready to acquire the property, or the agency had secured the funding to acquire the property, or (2) pay damages to each property owner whose property may be affected. The California Supreme Court has firmly held that neither alternative is acceptable.

Under Brown's logic, the State of California would also be liable for precondemnation damages merely by authorizing the Transbay Project, even though the State itself has no intention of ever acquiring Brown's property. The State Legislature has specifically authorized construction of the Transit Center. (Pub. Res. Code § 5027.1 [authorizing demolition of the existing Transbay Terminal and construction of the Transit Center].) Such a result would run contrary to the narrow scope of liability prescribed in *Klopping*.

In refusing to allow *Klopping* damages absent any official announcement of an intent to condemn, courts have relied on the logic that, without such an announcement, there is no assurance that the property will actually be condemned. (*Selby*, 10 Cal.3d at 119 [holding demurrers properly sustained where there was no "firm declaration of an intention to condemn"].) Planning for large, complex public infrastructure projects can involve unforeseen changes in design and delays in acquisition schedules. (*Johnson*, 90 Cal.App.3d at 198-99.) In any public infrastructure project, "[u]ntil design has been completed, environmental considerations have been accounted for, and *actual condemnation resolutions* are issued, it cannot be said with any certainty what property will be required for a project." (*Id.* at 199 [emphasis added].)

The Transit Center Project is no different. As Brown alleges, plans for the timing and construction of the Project continue to evolve under the changing physical, political, and financial conditions in which the Project is proceeding. (Compl. ¶ 22.) According to the Complaint, TJPA's counsel informed her of the possibility that the TJPA may not even need to acquire her property. (Id. ¶ 15.) Thus, any claim for precondemnation damages is clearly without merit where, as here, there is no guarantee that the Property will actually be condemned.

# 2. Brown's Communications with TJPA Staff Do Not Constitute an "Official Action" Stating an Intent to Condemn the Property.

Brown's allegations that a staff member told her that the TJPA would acquire her property (Compl. ¶ 10) similarly fail to rise to the level of an official announcement of intent to condemn. Nearly identical allegations were found insufficient to support a claim for damages in *Terminals*. (221 Cal.App.3d. at 246.) There, the City and County of San Francisco and the San Francisco Redevelopment Agency approved and adopted a redevelopment plan that designated the plaintiffs' property as a waterfront park. (*Id.* at 239.) When the City had not yet acquired the property more than seven years after adopting the plan, plaintiffs sued. (*Id.* at 241.) Their complaint alleged that "City and Agency officials have on 'numerous occasions ... assured' appellants that the Property would eventually be acquired by negotiation or through the power of eminent domain at some future date . . . ." (*Id.* at 240-41.) The court rejected plaintiff's *Klopping* claim for precondemnation damages, stating that "informal representations to the effect that [the City] intended to acquire the Property by purchase or

condemnation" did not amount to an official announcement of an intent to condemn giving rise to precondemnation damages. (Id. at 246; see also Toso, 101 Cal.App.3d at 941, 957 [city's actions placing a measure on the ballot to acquire plaintiff's property and subsequent negotiations by the city attorney for the purchase of the property did not constitute an official announcement of an intent to acquire the property by eminent domain].)

Similarly, the alleged statements by the TJPA's "acquisition consultant" as to the TJPA's plans for acquiring the Property are insufficient to support a claim for Klopping damages. An agency employee or official is "not a person empowered to bind [the agency] on its intent to acquire the property . . . " (Cambria Spring Co. v. City of Pico Rivera (1985) 171 Cal. App.3d 1080, 1096.) Only an agency's "governing body" has that authority. (Code Civ. Proc. § 1245.220.) Here, the governing body of the TJPA is its Board of Directors. Brown's Complaint does not and cannot allege that the TJPA Board has made any official announcement of its intent to condemn her Property.

#### The Recordation of the Redevelopment Plan Is Not an Official 3. Announcement of An Intent to Condemn Brown's Property.

Brown's allegation that the Redevelopment Agency has recorded the Transbay Redevelopment Plan and the associated Declaration of Restrictions against her property (Compl. ¶ 19) does nothing to further her claim. In Cambria Spring, the court held that recording a redevelopment plan with a legal description that included the plaintiff's property is not an official announcement of intent to condemn required to maintain a Klopping damages claim. (171 Cal.App.3d. at 1096, 1098.) The court noted that state law requires a redevelopment agency to record an adopted redevelopment plan, and a description of the properties included in the plan. (Id. at 1094 [citing Health & Safety Code § 33373].) Similarly, the recording of the Redevelopment Plan and Declaration of Restrictions in the case at hand does not constitute an official announcement of an intent to condemn the Property.

In sum, Brown has not alleged any facts showing that the TJPA has issued an official announcement of an intent to condemn her property. Without such an announcement, her Klopping claim must fail.

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## C. Brown's Allegations Fall Outside the "Narrow Scope" of Cases in which Klopping Damages Have Been Awarded.

Even if Brown could allege that the TJPA had made a formal announcement of an intent to condemn the property, she has not alleged any "unreasonable" precondemnation conduct on the part of TJPA. The courts have only recognized such unreasonable conduct in two situations: (1) when a public entity delayed commencing an eminent domain action after the governing body adopted a resolution of necessity stating its intent to acquire property by eminent domain (City and County of San Francisco v. Golden Gate Heights Investments (1993) 14 Cal.App.4th 1203, 1207, 1213), or (2) when a public entity downzoned a property or took other regulatory action to depress a property's value prior to condemning it. (Helix Land Co. v. City of San Diego (1978) 82 Cal.App.3d 932, 941, 946; see also Toso, 101 Cal.App.3d at 952.) Thus the scope of the remedy provided in Klopping is extremely narrow. (Mesdaq, 154 Cal.App.4th at 1136 [recognizing "narrow scope" of Klopping doctrine].)

The TJPA has not adopted a resolution of necessity stating its intent to acquire the Property by eminent domain, and thus, logically, cannot have "delayed" commencement of an eminent domain action after doing so. Quite to the contrary, as the Complaint acknowledges, the TJPA is currently processing Brown's request for early acquisition due to financial hardship. (Compl. ¶ 23.) Far from delaying the acquisition of Brown's property, the TJPA is considering making an offer to purchase the Property before it actually needs it.

Nor does the Complaint allege that the TJPA interfered in any way with Brown's use of her property by downzoning the property or taking other regulatory action to depress the property's value. Indeed, Brown cannot make any such allegations because the TJPA has no regulatory authority. (See RJN Ex. A at 14 & 39 [use of Property regulated by City of San Francisco General Plan and Planning Code].) Moreover, the Complaint indicates that Brown has been able to use the Property without interference from the TJPA: Brown lived at the property in 2005-2006, and has leased the property to various tenants before and after. (Compl. ¶ 12, 13, 21.)

Thus, Brown has failed to allege any unreasonable conduct by the TJPA entitling her to Klopping damages.

## CONCLUSION

The TJPA respectfully requests that the Court grant the demurrer without leave to amend.

DATED: September 11, 2009

SHUTE, MIHALY & WEINBERGER LLP

By:

WINTER KING

Attorneys for Defendant
TRANSBAY JOINT POWERS AUTHORITY

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MPA IN SUPPORT OF TJPA'S DEMURRER CASE NO. CGC-09-490878

JONATHAN S. O'DONNELL (State Bar No. 100051) DWIGHT C. DONOVAN (State Bar No. 114785) MBV LAW LLP 2 855 Front Street San Francisco, California 94111 3 Telephone: (415) 781-4400 Facsimile: (415) 989-5143 Attorneys for Plaintiff 5 TERRI BROWN 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN FRANCISCO - UNLIMITED JURISDICTION 9 10 CASE No. CGC-09-490878 TERRI BROWN, 11 Plaintiff, 12 PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN 13 OPPOSITION TO DEMURRER OF DEFENDANT TRANSBAY JOINT TRANSBAY JOINT POWERS 14 POWERS AUTHORITY AUTHORITY; REDEVELOPMENT AGENCY OF THE CITY AND COUNTY 15 OF SAN FRANCISCO; and DOES 1 Date: October 13, 2009 through 30, inclusive, 16 Time: 9:30 am **Dept:** 302 Defendants. 17 18 I. 19 INTRODUCTION 20 Defendant, Transbay Joint Powers Authority ("TJPA") advances the novel position that 21 Klopping damages are not available to a plaintiff in inverse condemnation unless and until an 22 agency has filed a formal notice of intent to condemn. The law does not so hold. As discussed 23 below, where, as here, the condemnor has entered the acquisition phase of the proceedings, and 24 where the condemnor acts unreasonably in connection with and in furtherance of this activity, a 25 party is entitled to damages in inverse condemnation under Klopping. 26 TERRI BROWN has pleaded facts constituting a cause of action. Accepting all of 27 1 28 PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEMURRER OF DEFENDANT TRANSBAY JOINT POWERS AUTHORITY - CASE NO. CGC-09-490878

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plaintiff's pleaded facts as true - - which the court is required to do for the purposes of demurrer - - plaintiff has established a claim for inverse condemnation. As such, the demurrer must be overruled.

II.

#### **FACTS**

Plaintiff's complaint alleges the following facts, all of which are accepted as true for purposes of demurrer. Plaintiff originally listed her property for sale in 2005, but the buyer backed out after learning of planned condemnation proceedings. Complaint, ¶8, 9. Defendant TJPA, by and through its acquisition consultant Harry Quinn, told plaintiff her property would be acquired by the end of 2005. *Id.*, ¶10. Thereafter, defendant engaged in a series of delays, including stating that the demolition/acquisition of plaintiff's property had been moved into a different phase (Complaint, ¶15), to avoid paying plaintiff for her property. The property is actually part of phase one work (Complaint, ¶25). Through discovery, plaintiff will explore the basis for TJPA's statements to the plaintiff to the contrary. Plaintiff engaged in a series of acts designed to mitigate her damages, but she has been harmed by the TJPA's unreasonable precondemnation delay tactics. Complaint, ¶11-18, 21.

Contrary to TJPA's assertion on demurrer, TJPA's intent to demolish and acquire plaintiff's property for the Transbay Terminal Project is not at the generic, hypothetical "planning stage" but, rather, is an absolute certainty. In addition to the actions of TJPA's agent, Harry Quinn identified above, TJPA has notified owners of property in plaintiff's building of its intent to condemn the entire building. Complaint, ¶ 25. TJPA has also acquired property directly adjacent to plaintiff's property, and is proceeding with construction plans that will shut down plaintiff's street, demolish a security wall to her garage, and perform around-the-clock heavy construction on all sides of plaintiff's property. Complaint, ¶16. Against this factual backdrop, TJPA's arguments have no merit. Plaintiff has pleaded facts sufficient to state a cause of action and the demurrer must be overruled.

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PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEMURRER OF DEFENDANT TRANSBAY JOINT POWERS AUTHORITY - CASE No. CGC-09-490878 23725.01417108.DOC

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### DISCUSSION

## A. General Principles Governing Demurrers.

A demurrer tests the adequacy of a pleading to see whether the pleader has stated a valid cause of action. A demurrer admits as true all material facts that are properly pleaded. Serrano v. Priest (1971) 5 Cal.3rd 584, 591. A complaint must be construed liberally, with a view to substantial justice between the parties. CCP §452; Stevens v. Superior Court (1999) 75 Cal.App. 4th 594, 601. Where a complaint alleges facts to entitling the pleader to any relief, a demurrer will be overruled. Gressley v. Williams (1961) 193 Cal.App. 2nd 636, 639.

## B. Plaintiff Has Stated A Cause Of Action For Inverse Condemnation.

TJPA asserts that plaintiff has failed to state a cause of action for inverse condemnation under *Klopping v. City of Whittier* (1972) 8 Cal.3rd 39. The bulk of TJPA's demurrer argues that plaintiff's claim fails to state a cause of action for *Klopping* damages because "the TJPA has not actually condemned the property," (Demurrer 7:24-8:14), and because "the TJPA has not announced its intent to condemn the property." (Demurrer, 8:16-13:26.)¹ In advancing those arguments, TJPA drastically misreads *Klopping* and the cases following it.

An official statement of intent to condemn is not required before a party may bring an inverse condemnation claim. Even prior to *Klopping*, it had been established that particularly oppressive acts involving a physical invasion or a direct legal restraint on the use of property could amount to a "de facto taking" even without formal condemnation. *Klopping v. City of Whittier*, supra, 8 Cal.3rd 39. *Klopping* went on to hold that "when the condemnor acts unreasonably in issuing precondemnation statements, either by excessively delaying eminent domain action or by other oppressive conduct, our constitutional concern over property rights requires that the owner be compensated. This requirement applies even though the activities

PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEMURRER OF DEFENDANT TRANSBAY JOINT POWERS AUTHORITY – CASE NO. CGC-09-490878

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TJPA makes the ancillary argument that plaintiff has not stated a cause of action for a de facto taking. Without conceding this point, BROWN submits that she only needs to plead entitlement to damages in inverse condemnation on a single legal theory for purposes of demurrer. TJPA's final point, that Klopping damages are only awarded within a "narrow scope," is improperly raised on demurrer. The issue of what constitutes unreasonable pregondemnation conduct is ultimately a question of fact to be determined at trial.

which give rise to such damages may be significantly less then those which would constitute a de facto taking of the property . . ." Id., ¶51-52.

In order for a right to pre-condemnation damages to accrue, condemnation proceedings do not need to be formally commenced, nor does there need to be a formal announcement of an intention to condemn. It is enough that there be "some other official act or expression of intent to acquire the property in question." *Terminals Equipment Co., Inc. v. City and County of San Francisco* (1990) 221 Cal.App. 3rd 234, 245, citing *Klopping* and a host of other cases. "The pivotal issue in every case is whether the public agency's activities have gone beyond the planning stage to reach the 'acquiring stage." *Id.*, citing other cases. Among the numerous cases that are at odds with the statements articulated by TJPA are *People ex rel. Dept. of Pub. Works v. Peninsula Enterprises, Inc.* (1979) 91 Cal.App. 3rd 332, 356, *Tilem v. City Los Angeles* (1983) 142 Cal.App. 3rd 694, 711, *Toso v. City of Santa Barbara* (1990) 101 Cal.App. 3rd 934, 951 - 952; and *Jones v. People ex rel. Dept. of Transportation* (1978) 22 Cal. 3rd 144, 154.

Against the clear statement in *Terminals Equipment Co.*, cited above, it is unfathomable that TJPA can assert that plaintiff has failed to state a cause of action. The complaint specifically alleges that Harry Quinn, acquisition consultant for TJPA, repeatedly advised plaintiff that the Subject Property would be condemned and acquired by the end of 2005. Complaint, ¶10. BROWN also alleges that TJPA "proceeded with acquisition of properties directly adjacent to hers and is proceeding with construction plans that threaten to, and will, directly impact her property." Complaint, ¶16. This includes shutting down Natoma Street, tearing down a security wall of plaintiff's garage, and other such activities. *Id.* Plaintiff has also alleged that other owners of property within her very building have been notified, in writing, of TJPA's intent to condemn the entire building, though BROWN was omitted from the notification process. Complaint, ¶25. These factual allegations, all of which are deemed true for purposes of demurrer, clearly establish that the agency has moved beyond the "general planning" stage to the acquisition stage. The argument that TJPA must actually condemn the property, or issue a resolution of intent to condemn the property, is legally flawed. The argument that the project is

PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEMURRER OF DEFENDANT TRANSBAY JOINT POWERS AUTHORITY – Case No. CGC-09-490878 23725.01\417108.DOC

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in the "planning" stage rather than the "acquisition" stage with respect to 85 Natoma is factually flawed.

The disingenuous nature of the of TJPA's position is underscored by documents in the public record, of which this Court may take judicial notice. See, Plaintiff's Request for Judicial Notice, filed concurrently herewith. The TJPA public agenda for its March 12, 2009 meeting specifically identifies an agenda item confirming a conference with Real Property Negotiators concerning plaintiff's property. See, March 12, 2009 Closed Session Agenda Item 4.2, Plaintiff's Request for Judicial Notice, Ex. 1. Plaintiff BROWN and counsel who filed the subject demurrer are both identified by name in the agenda item. It is hard to fathom how the TJPA can demur to a complaint on the basis that the TJPA is in nothing more than the "planning" stage where, as here, the public record clearly shows that TJPA is in the direct acquisition phase with respect to the Subject Property. The argument that BROWN has not stated a cause of action for inverse condemnation under *Klopping* and its successor cases is without merit. The demurrer must be overruled.

IV.

#### CONCLUSION

For the reasons stated herein, BROWN has more than adequately pleaded a cause of action for inverse condemnation under *Klopping*. The position advanced by defendant is without legal or factual support. As stated above, BROWN respectfully requests an order of this Court overruling the demurrer and ordering defendant TJPA to answer BROWN's Complaint forthwith.

MBV L

DATED: September 28, 2009

By:

DWIGHT C. DONOVAN

Attorneys for Plaintiff TERRI BROWN

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PLAINTIFF'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEMUR OF DEFENDANT TRANSBAY JOINT POWERS AUTHORITY – CASE NO. CGC-09-490878

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ANDREW W. SCHWARTZ (State Bar No. 87699) WINTER KING (State Bar No. 237958) SHUTE, MIHALY & WEINBERGER LLP ENDORSED 396 Hayes Street Superior Court of California County of San Francisco San Francisco, CA 94102 Telephone: (415) 552-7272 Facsimile: (415) 552-5816 OCT 0 5 2009 Attorneys for Defendant GORDON PARK-LI, Clerk TRANSBAY JOINT POWERS AUTHORITY MARY A. MORAN Deputy Clerk 6 7 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 12 Case No. CGC-09-490878 TERRI BROWN, 13 DEFENDANT TRANSBAY JOINT Plaintiff, POWERS AUTHORITY'S REPLY BRIEF 14 IN SUPPORT OF DEMURRER TO PLAINTIFF TERRI BROWN'S 15 COMPLAINT FOR INVERSE TRANSBAY JOINT POWERS CONDEMNATION AUTHORITY; REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO; and DOES 1 through October 13, 2009 Date: Time: 9:30 a.m. 30, inclusive, Dept.: 302 18 Defendants. Action Filed: July 28, 2009 19 Trial Date: 20 21 22 23 24 25 26 27 28 DEF. TJPA's REPLY BRIEF ISO DEMURRER TO COMPLAINT FOR INVERSE CONDEMNATION CASE NO. CGC-09-490878

### INTRODUCTION

Defendant Transbay Joint Powers Authority ("TJPA") is in the process of planning and developing the new Transbay Transit Center in San Francisco—a project that will serve more than 100,000 travelers per day by connecting numerous modes of public transit under one roof, employ approximately 45,000 workers, and create the largest transit-friendly neighborhood in California. The TJPA has spent years planning, conducting environmental review, and arranging financing to accomplish this ambitious goal. To develop the Transit Center, the TJPA plans to acquire Plaintiff Terri Brown's ("Brown") property. However, given the construction, planning, and financing schedule, the TJPA does not need her property at this time.

Nevertheless, when Brown submitted a request for early acquisition, the TJPA considered this request and ultimately offered to purchase her property.

Brown now attempts to use the very fact that the TJPA considered her request for early acquisition as evidence that the TJPA has moved from the "planning" phase of the Transit Center project to the "acquisition" phase. As a result, she argues, she can state a claim for precondemnation damages under *Klopping v. City of Whittier*. However, neither *Klopping* nor any subsequent case supports this position. Rather, *Klopping* authorized a *condemnee* to recover damages for unreasonable actions taken *prior to condemnation* by a public agency. Because the TJPA has not condemned Brown's property—either directly by an action in eminent domain or indirectly by regulatory action—it cannot be liable for precondemnation damages.

Brown also fails to allege that the TJPA made any official announcement of its intent to condemn her property—a required element of any *Klopping* claim. Instead, she alleges that a staff person told her that her property would be acquired in 2005, that the owners of other units in her building have been notified that the TJPA will acquire the entire building as part of Phase 1 of the Transit Center Project, and that the TJPA is continuing with its plans to develop the Project. None of these allegations rises to the level of an official announcement of intent to condemn, and courts have repeatedly sustained demurrers to claims for *Klopping* damages when presented with very similar allegations.

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DEF. TJPA's REPLY BRIEF ISO DEMURRER TO COMPLAINT FOR INVERSE CONDEMNATION CASE NO. CGC-09-490878

Finally, Brown has failed to allege any unreasonable conduct on the part of the TJPA.

Because the TJPA has not yet issued any official announcement of its intent to condemn

Brown's property, Brown cannot establish that the TJPA has unreasonably delayed bringing an eminent domain action after announcing its intent to condemn. Moreover, the written notice

Brown alleges was provided to other owners in her building was, according to Brown's complaint, provided less than two weeks before Brown filed suit—hardly an unreasonable delay.

Because Brown cannot state a claim for precondemnation damages, her complaint should be dismissed.

### **ARGUMENT**

## I. IN THE ABSENCE OF CONDEMNATION—EITHER DIRECT OR INVERSE—BROWN CANNOT STATE A CLAIM FOR PRECONDEMNATION DAMAGES.

In her opposition to the TJPA's demurrer, Brown concedes that her property has not been condemned by the TJPA—either through an eminent domain action initiated by the TJPA or by a "de facto" or regulatory taking. (Plaintiff's Memorandum of Points and Authorities in Opposition to Demurrer of Defendant Transbay Joint Powers Authority ("Brown Opp.") at 3 & fn. 1.) This concession alone requires dismissal of her Complaint for Inverse Condemnation. "By definition, damages for improper *precondemnation* conduct require that the property be condemned." (Smith v. San Francisco (1990) 225 Cal.App.3d 38, 47 [emphasis added].)

The facts and analysis of *Klopping* support this conclusion. In that case, the issue was whether the plaintiffs were entitled to recover damages caused by the City of Whittier's announcements of its intent to condemn the property where the damages were incurred "during the period between the public statements [indicating an intent to condemn] and the taking of the property." (Klopping v. City of Whittier (1972) 8 Cal.3d 39, 46 [emphasis added].) Both properties at issue in Klopping were acquired by the City—Klopping's by eminent domain, and plaintiff Sarff's by negotiated purchase. (Id. at 45, fn. 2.) The holding of that case focuses specifically on the remedy that must be afforded a condemnee:

[W]e hold that a condemnee must be provided with an opportunity to demonstrate that (1) the public authority acted improperly either by unreasonably delaying eminent domain action following an announcement of intent to condemn or by other unreasonable

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(Id. at 52.)

Thus, contrary to Brown's suggestion, *Klopping* does not create a new cause of action for any and all property owners, but rather allows a *condemnee* to recover damages for a decrease in market value caused by the government's unreasonable precondemnation activities. The Supreme Court subsequently made this point clear: "[I]n *Klopping*[,]... [w]e held only that the plaintiff should be able to include *in his eminent domain damages* the decline in value attributable to th[e] unreasonable precondemnation action by the city." (*HFH*, *Ltd. v. Superior Court of Los Angeles County* (1975) 15 Cal.3d 508, 516, fn. 14 [emphasis added]; see also Redevelopment Agency of San Diego v. Mesdaq (2007) 154 Cal.App.4th 1111, 1135 [Klopping does not create private right of action "enabling property owners to collect damages whenever [an agency] acts 'unreasonably'"]; Kong v. City of Hawaiian Gardens Redevelopment Agency (2002) 108 Cal.App.4th 1028, 1045 [a claim for precondemnation damages "is simply a form of damages that may be recovered in an action for inverse condemnation"].)

Thus, if and when the TJPA condemns Brown's property, she will be entitled to the property's fair market value and any damages incurred as a result of unreasonable precondemnation activity by the TJPA. Before then, Brown cannot state a claim for damages under *Klopping*.

The two cases cited by Brown in which courts upheld the award of Klopping damages are not to the contrary. (Brown Opp. at 4.) In People ex re. Department of Public Works v. Peninsula Enterprises, Inc., the court upheld precondemnation damages awarded as part of an eminent domain action. (People ex re. Department of Public Works v. Peninsula Enterprises, Inc. (1979) 91 Cal.App.3d 332, 339.) In Tilem v. City of Los Angeles, the city had brought an

¹ Moreover, as the Court notes in *Klopping* (8 Cal.3d at 49-50), state law also requires that the valuation of property acquired by the government must disregard any decrease in value caused by existence of the project. (Code Civ. Proc. § 1263.330(a).)

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eminent domain action to condemn the property at issue, but abandoned that action before trial. (Tilem v. City of Los Angeles (1983) 142 Cal. App. 3d 694, 699.) Moreover, the court found the city's actions in that case had rendered the property "virtually useless"—meeting the standard for a regulatory taking. (Id. at 704.)

Brown also cites Toso v. City of Santa Barbara (1980) 101 Cal. App.3d 934 and Jones v. People ex rel. Department of Transportation (1978) 22 Cal.3d 144. However, the Toso court denied Klopping damages because, "there was no resolution of condemnation, there was no announcement of intent to condemn, nor was there any official act by the city towards acquiring the property." (Toso, 101 Cal.App.3d at 957.) In Jones, the court did not reach the issue of whether plaintiffs were entitled to Klopping damages because the agency's action "substantially impaired" the plaintiffs' access to their property and thus entitled them to compensation for a "de facto" taking. (Jones, 22 Cal.3d at 151.)

Thus, none of these cases suggests that precondemnation damages are appropriate where the agency has never actually condemned the property at issue.

#### BROWN HAS NOT ALLEGED ANY OFFICIAL ACT BY THE П. TIFYING HER OF ITS INTENT TO CONDEMN THE PROPERTY.

Even if condemnation were not a prerequisite to Klopping damages, Brown's complaint still fails to state a claim because she has not and cannot allege that the TJPA has issued an official announcement of its intent to condemn her property. (Terminals Equipment Co. v. City and County of San Francisco (1990) 221 Cal.App.3d 234, 245; Toso, 101 Cal.App.3d at 957; Guinnane v. City and County of San Francisco (1987) 197 Cal. App.3d 862, 866.) Brown has not alleged that the TJPA has adopted a "resolution of necessity"—the only way a public agency may initiate condemnation proceedings (Code Civ. Proc. § 1245.220)—and appears to concede that she cannot make such an allegation. (Brown Opp. at 3.)

Nor can any of the other facts alleged by Brown be construed as an "official act or expression of intent to acquire" Brown's property. Statements made by Harry Quinn (Complaint for Inverse Condemnation ("Compl.") at ¶12), a member of TJPA's staff, cannot constitute not an official expression of the TJPA's intent to acquire the property because Mr.

Quinn has no authority to bind the TJPA. (Cambria Spring Co. v. City of Pico Rivera (1985) 171 Cal.App.3d 1080, 1096 [conversation between property owner's agent and agency staff person who was not empowered to bind the agency, was not official announcement of intent to acquire].) Brown also alleges that other property owners in her building "have been notified, in writing, that TJPA now intends to condemn the entire building as part of Phase 1" of the Project. (Compl. ¶25.) Notably, this allegation does not state who wrote the notice, much less that the notice was issued by the TJPA's Board of Directors. And, in fact, no such notice has been issued by the TJPA Board. The allegation also fails to show anything more than that the TJPA's current plans for developing the Transbay Transit Center call for the eventual acquisition of 85 Natoma. Courts have repeatedly held that this type of planning activity does not trigger Klopping damages. (See Selby Realty Co. v. City of San Buenaventura (1973) 10 Cal.3d 110, 117-18; Guinnane, 197 Cal.App.3d at 867; Contra Costa Water District v. Vaquero Farms, Inc. (1997) 58 Cal.App.4th 883, 896, 903; Terminals, 221 Cal.App.3d at 246; see also City of Walnut Creek v. Leadership Housing Systems, Inc. (1977) 73 Cal.App.3d 611, 622 ["The right of a governmental body to plan for the acquisition of property is unquestioned."].)

Brown's allegation that the TJPA "proceeded with acquisition of properties directly adjacent to hers, and is proceeding with construction plans that threaten to, and will, directly impact her property" also falls short of demonstrating an official announcement of intent to condemn. (Brown Opp. at 4; Compl. ¶ 16.) Nearly identical allegations were found to be insufficient to state a claim for damages in *Johnson v. California* (1979) 90 Cal.App.3d 195. In that case, the State of California planned to construct a freeway near the plaintiffs' property. (*Id.* at 196-97.) The State and participating municipalities constructed a portion of the freeway and proceeded to acquire several parcels near plaintiffs' property for the project. (*Id.* at 197). Due to funding cutbacks, construction plans were delayed. (*Id.*) Under the revised schedule, plaintiff's property was not required until the third and final phase of freeway construction, which would not take place for another ten to twenty years. (*Id.*) The court in that case sustained a demurrer to the plaintiffs' complaint for inverse condemnation and *Klopping* damages, reasoning:

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The actions described in the pleadings are part of the legitimate planning process for a public improvement . . . . Until design has been completed, environmental considerations have been accounted for, and actual condemnation resolutions are issued, it cannot be said with any certainty what property will be required for a project. . . . [¶] Any incidental impairment of plaintiffs' property rights as a result of the inevitable public knowledge of the state's proposed highway project is not such as to entitle them to compensation under *Klopping* . . . .

(*Id.* at 198-99.) Similarly, the actions described in Brown's complaint are simply part of the legitimate planning process for a public improvement. As such, she cannot state a claim for damages under *Klopping*.

Brown also cites the closed session agenda item from the TJPA's March 12, 2009 meeting as evidence that the TJPA has moved from the "planning" stage to the "acquisition" stage of the Project. However, the cited agenda item shows only that the TJPA was considering negotiating the purchase of Brown's property—hardly a surprise given that Brown asked the TJPA to acquire her property ahead of schedule due to financial hardship. (Compl. ¶ 23.) It simply cannot be the case that a public agency becomes liable for damages simply by considering the request made by a property owner to purchase that property ahead of schedule. Rather, numerous courts have denied *Klopping* damages despite allegations that a public agency attempted to negotiate the purchase of the property. (See, e.g., Terminals, 221 Cal.App.3d at 240; Toso, 101 Cal.App.3d at 941 [no Klopping damages where city appraised property and placed a successful proposition on ballot asking voters if the city should purchase property].) There is no authority to support Brown's argument that a public agency's mere appraisal of property and negotiations for a voluntary purchase, without an official announcement of an intent to condemn or other interference with the use of the property, constitutes the type of unreasonable conduct that could give rise to precondemnation liability.

Finally, Brown cites *Terminals* for the proposition that a public agency may become liable for precondemnation damages when "the public agency's activities have gone beyond the planning stage to reach the 'acquiring stage.'" (Brown Opp. at 4; *Terminals*, 221 Cal.App.3d at 246.) The implication that *Terminals* established a blurry balancing test to determine liability for precondemnation damages is inaccurate. In fact, *Terminals* holds "where there has been 'no

DEF. TJPA'S REPLY BRIEF ISO DEMURRER TO COMPLAINT FOR INVERSE CONDEMNATION CASE NO. CGC-09-490878

official action amounting to an announcement of intent to condemn, there [can] be no liability based upon unreasonable delay following such an announcement." (Terminals, 221 Cal.App.3d at 245 [citing Cambria Spring Co., 171 Cal.App.3d at 1098].) Again, none of the facts alleged or cited by Brown-including that the TJPA discussed the possible purchase of Brown's property by negotiated sale in closed session—is an announcement of an intent to condemn.

Moreover, the Terminals court actually sustained a demurrer to a complaint for precondemnation damages suffering from many of the same failings as Brown's complaint: it failed to allege that any condemnation had taken place or that the public agency had performed any official act or made any official expressions of intent to condemn the property. (Id. at 246.) Although the complaint alleged that "City and Agency officials have on 'numerous occasions ... assured' appellants that the Property would eventually be acquired by negotiation or through the power of eminent domain at some future date . . ." (id. at 240-41), the court held that such allegations did not show any official act by the agency toward acquiring the property. (Id. at 246.) Under the reasoning of Terminals, Brown's complaint should be dismissed.

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## BROWN HAS NOT ALLEGED ANY UNREASONABLE CONDUCT BY THE PA ENTITLING HER TO DAMAGES.

Brown's claim appears to be that the TJPA has unreasonably delayed the acquisition of her property after issuing an official notice of TJPA's intent to condemn. Courts have recognized the availability of Klopping damages when a public entity unreasonably delays commencing an eminent domain action after the governing body adopted a resolution of necessity ("RON") stating its intent to acquire property by eminent domain. (City and County of San Francisco v. Golden Gate Heights Investments (1993) 14 Cal. App. 4th 1203, 1207, 1212.) Here, the TJPA has not adopted a RON, and thus, logically, cannot have "delayed" commencement of an eminent domain action after doing so. In the absence of a RON, Brown has alleged that other property owners in her building "have been notified, in writing, that TJPA now intends to condemn the entire building as part of Phase 1" of the Project. (Compl. ¶ 25.) However, this alleged notice was issued less than two weeks before Brown filed her complaint. (Id.) Thus, even if this notice could be interpreted as an official expression of the TJPA's intent

to condemn Brown's property, it fails to show that the TJPA has unreasonably delayed an eminent domain action.

Nor has the TJPA interfered with Brown's use of her property. (See Barthelemy v. Orange County Flood Control District (1998) 65 Cal.App.4th 558, 565 ["Absent a formal resolution of condemnation, the public entity's conduct must have 'significantly invaded or appropriated the use or enjoyment of' the property" to entitle the owner to damages.].) In fact, the Brown's complaint indicates that she has been able to use the Property without interference from the TJPA, by living at the property in 2005-2006, and leasing the property to various tenants. (Compl. ¶¶ 12, 13, 21.) For this reason, as well, Brown's complaint should be dismissed.

#### CONCLUSION

	For all of the foregoing reasons,	the TJPA	respectfully	requests	that the	Court	dismiss	the
compl	aint without leave to amend.	•	•					

DATED: October 5, 2009

SHUTE, MIHALY & WEINBERGER LLP

By: WINTER KING

Attorneys for Defendant TRANSBAY JOINT POWERS AUTHORITY

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#### PROOF OF SERVICE

Terri Brown v TJPA, et al.
San Francisco County Superior Court, Case No. CGC-09-490878

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the City and County of San Francisco, State of California. My business address is 396 Hayes Street, San Francisco, California 94102.

On October 5, 2009, I served true copies of the following document(s) described as:

DEFENDANT TRANSBAY JOINT POWERS AUTHORITY'S REPLY BRIEF IN SUPPORT OF DEMURRER TO PLAINTIFF TERRI BROWN'S COMPLAINT FOR INVERSE CONDEMNATION

on the parties in this action as follows:

#### SEE ATTACHED SERVICE LIST

BY MAIL: I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Shute, Mihaly & Weinberger LLP's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on October 5, 2009, at San Francisco, California.

Natalia Thurston

EF. TJPA'S REPLY BRIEF ISO DEMURRER TO COMPLAINT FOR INVERSE CONDEMNATION

CASE NO. CGC-09-490878

### SERVICE LIST Terri Brown v TJPA, et al. CGC-09-490878

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DEF. TJPA'S REPLY BRIEF ISO DEMURRER TO COMPLAINT FOR INVERSE CONDEMNATION CASE NO. CGC-09-490878

·			
ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):  Jonathan S. O'Donnell (State Bar # 100051)		FOR COURTUSE ONLY	
Dwight C. Donovan (State Bar # 114785)			
MBV Law LLP 855 Front Street, San Francisco, CA 94111	0.000.5140		
TELEPHONE NO.: (415) 781-4400 FAX NO. (Optional): (41:	989-5143	* *	
ATTORNEY FOR (Name): Terri Brown, Plaintiff			}
SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Francisco		<b>1</b>	.
STREET ADDRESS: 400 MICAINSTER STREET			
MAILING ADDRESS: CITY AND ZIP CODE: San Francisco, California 94102			.
BRANCH NAME:			ĺ
PLAINTIFF/PETITIONER: Terri Brown		•	
DEFENDANT/RESPONDENT: Transbay Joint Powers Author	ty, et al.		
REQUEST FOR DISMISSAL	CASE N	UMBER:	
Personal Injury, Property Damage, or Wrongful Death Motor Vehicle Other			
Family Law Eminent Domain		CGC-09-490878	:
x Other (specify): Inverse Condemnation			
- A conformed copy will not be returned by the clerk uni	ess a method of return is pro	vided with the document -	
TO THE CLERK: Please dismiss this action as follows:     a. (1) With prejudice (2) X Without prejudice			·.
b. (1) X Complaint (2) Petition (3) Cross-complaint filed by (name):	· oi	n (date):	
(4) Cross-complaint filed by (name):	O	n (date):	
(5) Entire action of all parties and all causes of action			
(6) Other (specify):*			·
2. (Complete in all cases except family law cases.)	^	<b>4</b>	
Court fees and costs were waived for a party in this c	se. (This information may be	ptained from the clerk. If this i	box is
checked, the declaration on the back of this form must	t be completed).	į	
DWIGHT C. DONOVAN	> NAMA		
TYPE OF PRINT NAME OF X ATTORNEY PARTY WITHOUT ATTORNEY)		(SIGNATURE)	
"If dismissal requested is of specified parties only of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.	Attorney or party without attor	mey for: Defendant/Responder	nt .
causes of action, or cross-complaints to be dismissed.	Cross-Complainant		
3. TO THE CLERK: Consent to the above dismissal is hereby give	en.**		
Date:			
	<b>?</b>	(SIGNATURE)	· .
(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)	Attorney or party without attor	• • • • • • • • • • • • • • • • • • • •	
** If a cross-complaint - or Response (Family Law) seeking affirmative relief is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581 (i) or (j).	Plaintiff/Petitioner Cross-Complainant	Defendant/Responde	nt
(To be completed by clerk)		1	
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5 Dismissal entered on (date):	as to only (name):		
6. Dismissal not entered as requested for the following n	decite fahoon?		
7. a. Attorney or party without attorney notified on (date)			
b. Attorney or party without attorney not notified. Filing	party failed to provide n conformed copy	•	
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Date:		Code of Chili Procedure	Page 1 of 2

Form Adopted for Mandatory Use Judicial Council of California CIV-110 [Rev. July 1; 2009]

REQUEST FOR DISMISSAL

Code of Chil Procedure, § 581 et seq.;
Gov. Code, § 88837(c); Cal. Rules of Courl, rule 3.1330
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PLAINTIFF/PETITIONER: Terri Brown

DEFENDANT/RESPONDENT: Transbay Joint Powers Authority, et al.

CASE NUMBER:

CGC-09-490878

#### **Declaration Concerning Waived Court Fees**

The court has a statutory lien for waived fees and costs on any recovery of \$10,000 or more in value by settlement, compromise, arbitration award, mediation settlement, or other recovery. The count's lien must be paid before the court will dismiss the case.

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	penalty of perjury under the	ne laws of the State	of California th	at the information	above is true and o	orrect.
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1	Re: Terri Brown v. TransBay Joint Powers Authority, et al.					
2	(San Francisco Superior Court, Case No. CGC-09-490878)					
3	PROOF OF SERVICE					
4	I, MAXINE E. RUBIN, declare as follows:					
5	I am a citizen of the United States, over the age of eighteen (18) years, employed in the City and County of San Francisco at the law offices of MBV LAW LLP, 855 Front Street, San					
6	Francisco, CA 94111, and not a party to the within action.					
7	On October 19, 2009, I served the following document(s):					
8	REQUEST FOR DISMISSAL (Without Prejudice)					
9	By Mail: by placing true and correct copies of the document(s) listed above in					
10	envelope(s) addressed as set forth below. I sealed said envelope(s), with postage increasing fully prepaid to be deposited with the United States Postal Service on this day following					
11	ordinary business practices. I am readily familiar with office procedure and practice for collection and processing of correspondence for mailing.					
12	By Fax: by transmitting via facsimile, and received and retained confirmation of					
13	successful transmission, the document(s) listed above to the fax number(s) set forth below on this date before 5:00 p.m.					
14 15	By Overnight Service: by placing the document(s) listed above in a sealed envelope for overnight delivery via Federal Express, Express Mail, or other overnight service, with fees					
16	fully prepaid, and deposited for same-day pick-up by an authorized representative.					
17	By Hand Delivery: by placing the document(s) listed above in a sealed envelope(s) and submitting such envelope(s) to a messenger service with instructions to the messenger					
18	service representative that the envelope(s) be delivered as set forth below before 5:00 p.m., and that said messenger service provide my office with confirmation of such delivery(ies).					
19						
20	Andrew Schwartz, Esq.  Winter King, Esq.  Redevelopment Agency of the					
21	Shute Mihaly & Weinberger City and County of San Francisco 396 Hayes Street 1 South Van Ness Avenue, 5th Floor					
22	San Francisco, CA 94102 San Francisco, CA 94103 Counsel for Defendant General Counsel for REDEVELOPMENT					
23	TRANSBAY JOINT POWERS AUTHORITY AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO					
24						
25	I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on October 19, 2009, at San Francisco, California.					
26	10501					
27	MAXINE E. RUBIN					
28						

## Studies and Reports

## NEPA/CEQA

## Transbay Legislation

File Nos. 101432 and 101433	60 Tehama (3736-088)
File Nos. 101435 and 101436	564 Howard (3721-019)
File Nos. 101438 and 101439	568 Howard (3721-020)
File Nos. 101408 and 101409	85 Natoma #1 (3721-109)
File Nos. 101411 and 101412	85 Natoma #2 (3721-110)
File Nos. 101414 and 101415	85 Natoma #3 (3721-111)
File Nos. 101417 and 101418	85 Natoma #4 (3721-112)
File Nos. 101420 and 101421	85 Natoma #5 (3721-113)
File Nos. 101423 and 101424	85 Natoma #7 (3721-115)
File Nos. 101426 and 101427	85 Natoma #9 (3721-117)
File Nos. 101429 and 101430	85 Natoma #C1 (3721-118)
File Nos. 101441 and 101442	13 parking easement interests benefitted parcels: Block 3721, Lots 093-105 burdened parcels: Block 3721, Lots 109-118

City Project No. 2000.048E

#### *NOTOME I*

# TRANSBAY TERMINAL \ CALTRAIN DOWNTOWN EXTENSION \ REDEVELOPMENT PROJECT

in the City and County of San Francisco

#### FINAL ENVIRONMENTAL IMPACT STATEMENT\ ENVIRONMENTAL IMPACT REPORT AND SECTION 4(f) EVALUATION

Pursuant to

National Environmental Policy Act of 1969, §102 (42 U.S.C. §4332); Federal Transit Laws (49 U.S.C. §5301(e), §5323(b) and §5324(b)); Section 4(f) of the Department of Transportation Act of 1966 (49 U.S.C. §303); National Historic Preservation Act of 1966, §106 (16 U.S.C. §470f); 40 CFR Parts 1500-1508; 23 CFR Part 771; Executive Order Isono Preservation Act of 1966, §106 (16 U.S.C. §470f); 40 CFR Parts 1500-1508; 23 CFR Part 771; Executive Order Isono Preservation Act of 1966, §106 (16 U.S.C. §470f); 40 CFR Parts 1500-1508; 23 CFR Part 771; Executive Order 150898 (Environmental Justice); and California Environmental Quality Act, PRC 21000 et seq.

ру the

U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION

and the

CITY AND COUNTY OF SAN FRANCISCO, PENINSULA CORRIDOR JOINT POWERS BOARD, AND SAN FRANCISCO REDEVELOPMENT AGENCY

March 2004









SCH No.95063004 City Project No. 2000.048E

#### **VOLUME II**

1854

# TRANSBAY TERMINAL \ CALTRAIN DOWNTOWN EXTENSION \ REDEVELOPMENT PROJECT

in the City and County of San Francisco

FINAL ENVIRONMENTAL IMPACT STATEMENT/ ENVIRONMENTAL IMPACT REPORT AND SECTION 4(f) EVALUATION

RESPONSES TO PUBLIC COMMENTS ON THE

DRAFT ENVIRONMENTAL IMPACT STATEMENT\
DRAFT ENVIRONMENTAL IMPACT REPORT AND
DRAFT SECTION 4(f) EVALUATION

py the

U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION

and the

CITY AND COUNTY OF SAN FRANCISCO, SENINGULA CORRIDOR JOINT POWERS BOARD, AND SAN FRANCISCO

March 2004









SCH No.9506.048E CIty Project No. 2000.048E

#### *NOTOME III*

# TRANSBAY TERMINAL \ CALTRAIN DOWNTOWN EXTENSION \ REDEVELOPMENT PROJECT

in the City and County of San Francisco

#### FINAL ENVIRONMENTAL IMPACT STATEMENT/ ENVIRONMENTAL IMPACT REPORT AND SECTION 4(f) EVALUATION

WRITTEN PUBLIC COMMENTS AND PUBLIC HEARING TRANSCRIPTS ON THE

DRAFT ENVIRONMENTAL IMPACT STATEMENT\
DRAFT ENVIRONMENTAL IMPACT REPORT AND
DRAFT SECTION 4(f) EVALUATION

py the

U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION

and the

CITY AND COUNTY OF SAN FRANCISCO, PENINSULA CORRIDOR JOINT POWERS BOARD, AND SAN FRANCISCO REDEVELOPMENT AGENCY

March 2004







RECEIVED FEB 21 2005

REGION IX Arizona, California, Hawaii, Nevada, Guam U.S. Department of Transportation Federal Transit Administration

FEB 8 SUUZ

Mr. Michael J. Scanlon Executive Director Peninsula Corridor Joint Powers Board 1250 San Carlos Ave San Carlos, CA 94070

Re: Record of Decision; Transbay Terminal / Caltrain Downtown Extension / Redevelopment Project

415-744-2726 (fax)

San Francisco, CA

201 Mission Sireet

94105-1839

415-744-3133

Suite 2210

Dear Mr. Scanlon:

This is to advise you that the Federal Transit Administration has issued a Record of Decision (ROD) for the Transbay Terminal \ Caltrain Downtown Extension \ Redevelopment Project. The Comment period for the Final Supplemental Environmental Impact Statement closed May 4, 2004. The Federal Transit Administration's (FTA) Record of Decision (ROD) is enclosed.

Please make the ROD and supporting documentation available to affected government agencies and the public. Availability of the ROD should be published in local newspapers and should be provided directly to affected government agencies, including the State Inter-governmental Review contact established under Executive Order 12372.

Please note that if a grant is made for this project, the terms and conditions of the grant contract will require the grantee undertake the mitigation measures identified in the ROD.

Thank for your cooperation in meeting the NEPA requirements. If you have questions about our review, please call Mr. Jerome Wiggins at (415) 744-2819.

Sincerely,

Leslie T. Rogers () Regional Administrator

#### RECORD OF DECISION

Transbay Terminal / Caltrain Downtown Extension / Redevelopment Project

#### DECIZION

The U.S. Department of Transportation, Federal Transit Administration (FTA), has determined that the requirements of the National Environmental Policy Act of 1969 (NEPA) have been satisfied for the Transbay Terminal / Calurain Downtown Extension / Redevelopment Project (Project) in San Francisco, California. The Project to which this Record of Decision (ROD) applies consists of the design, construction, and future operation of a multimodal transportation terminal, underground rail access turnel to the terminal, and redevelopment of the surrounding ages.

The Project consists of three main components: a multimodal transportation terminal designed to serve local and regional buses as well as commuter rail and proposed high speed rail, an approximately I.3 mile underground passenger rail extension from the existing Fourth and Townsend Caltrain Station to the new terminal, and transit oriented redevelopment of the area surrounding the terminal. The Project also includes support components such as a temporary bus terminal facility to be used during construction, a new, permanent off-site bus storage/ layover facility, reconstructed bus ramps leading to the west end of the new Transbay Terminal, and a redesigned Caltrain storage yard.

The Project was adopted as the Locally Preferred Alternative by the Transbay Joint Powers Authority (FIPA) and was evaluated as the Refined West Loop Terminal / Second-to-Main Tunnel Alignment / Tunneling Option / Full Build Redevelopment in the Project's Final Environmental Impact Statement/Report (Final EIS/EIR) issued in March 2004. That Final EIS/EIR provides the complete description of the Project, which is the subject of this ROD. EPA Published the Motice of Availability for the Final EIS/EIR on April 2, 2004, in the Federal Register. The local lead agencies for the Project are the City and County of San Francisco, and Register. The local lead agencies for the Project are the City and County of San Francisco, and project components other than the Redevelopment Plan and will be responsible for building, project components other than the Redevelopment Flan and will be responsible for building, operating, and maintaining the Project components related to the Transbay Terminal.

#### **VCKEEMENLS**

FTA and TIPA have executed a Project Development Agreement (PDA) to set forth their intentions for compliance with FTA's Record of Decision and program requirements that will govern the Transbay Terminal \ Caltrain Downtown Extension \ Redevelopment Project. FTA and TIPA acknowledge that this agreement may be modified from time to time to accommodate statutory or regulatory changes, changes to the Project, or changes to TIPA's project management or financing plans, as necessary or appropriate. The executed PDA is attached (Appendix D).

## BOYED OF DIRECTORS TRANSBAY JOINT POWERS AUTHORITY

#### Resolution No. OF-011

WHEREAS, In April 2004, the Transbay Terminal/Caltrain Downtown Report ("Final EIS/EIR") (SCH #95063004) was certified by the City and County of San Francisco, the Peninsula Corridor Joint Powers Board, and the San Francisco Redevelopment Agency: and

WHEREAS, In April 2004 the Board of Directors of the Transbay Joint Powers Authority ("TJPA") approved the Locally Preferred Alternative ("LPA") of the Transbay Transit Center Program ("TTCP"); and

WHEREAS, The TIPA Board desires to refine the design and phasing of the Transbay Terminal/Caltrain Downtown Extension component of the LPA (the "Refined Project"); and

WHEREAS, In December 2005, Staff presented the Recommended Program Implementation Strategy of the Refined Project to the TIPA Board; on March 16 and May 25, 21aff again provided the TIPA Board with the Recommended Program Implementation Strategy, and the Final Massing Study for the Transit Center Building that further documented the Refined Project; and

WHEREAS, Pursuant to Section 15164 of the California Environmental Quality Act ("CEQA," Pub. Res. Code §§ 21000 et seq.) and the CEQA Guidelines, the TPPA has prepared an Addendum to the Final EIS/EIR, which contains an analysis of the environmental impacts that may result from the proposed refinement of the LPA; and

WHEREAS, The Refined Project would not trigger the need for subsequent environmental review pursuant to Section 21166 of the Public Resources Code and Section 15162 of the CEQA Guidelines; and

WHEREAS, The Refined Project would not require major revisions of the Final EIS/EIR due to new or substantially increased significant environmental effects; and

WHEREAS, No substantial changes have occurred with respect to the circumstances under revisions of the Final EIS/EIR due to new or substantially increased significant environmental effects; and

WHEREAS, There has been no discovery of new information of substantial importance increased significant environmental effects; and

WHEREAS, The TIPA Board has considered the Final EIS/EIR along with the Addendum to the Final EIS/EIR; now, therefore, be it

Adopts the Addendum to the Final EIS/EIR.

RESOLVED, That the TIPA Board:

Certifies that the Addendum to the Final EIS/EIR has been completed in compliance with CEQA and reflects the independent judgment of the TIPA; and

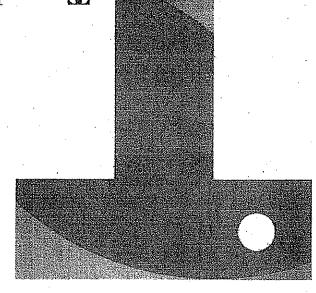
I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of June 2, 2006.

Secretary, Transbay Joint Powers Authority

# Addendum for the Transbay Terminal/Downtown Extension/Redevelopment Project

# Final Environmental Impact Statement/Report

May 25, 2006



Transbay Transit Center



Hatch Mott McConaid & EPC Consultants
Consultants to the Transbay Joint Powers Authority

U.S. Department of Transportation Federal Railroad Administration

# Transbay Program Final ElS Reevaluation

Updating the Transbay Program 2004 Final EIS for Adoption by the Federal Railroad Administration

May 2010



# LEPERAL RAILROAD ADMINISTRATION FOR THE FEDERAL RAILROAD ADMINISTRATION

#### DECIZION

The United States Department of Transportation, Federal Railroad Administration (FRA) has determined that the requirements of the National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321 et seq., have been satisfied for the train box at the Transbay Transit Center ("TTC" or "Transit Center") in San Francisco, California.

This decision has been made in accordance with the provisions of MEPA, which requires Federal agencies to integrate environmental values into their decision making processes by considering the environmental impacts of their proposed actions, reasonable alternatives to those actions, and integrating public participation into the process. This document sets forth the Record of Decision of FRA for the granting of Federal funds for the train box at the TTC. In making this comments contained in the portions of the Final Environmental Impact Statement/Environmental Impact Report¹ ("2004 EIS") for the Transbay Terminal/Caltrain Downtown/Extension Redevelopment Project ("Transbay Program") that cover Phase I of the Transbay Program, which was completed by the Federal Transbay Program? Transbay Program, in addition, FRA ("Environmental Reevaluation ("FTA"). In addition, FRA contained in both the 2004 EIS and the Environmental Reevaluation ("Environmental Reevaluation" ("Environmental Reevaluation") of the Phase I portions of the 2004 EIS. Through the analysis contained in both the 2004 EIS and the Environmental Reevaluation from the notion of the Environmental impacts and has identified and independently evaluated contained in both the 2004 EIS and the Environmental impacts and has identified and independently evaluated the potential environmental effects associated with the project's alternatives.

This ROD has been drafted in accordance with NEPA, the Council on Environmental Quality (CEQ) Regulations implementing NEPA (most specifically 40 C.F.R. § 1505.2), and FRA's Procedures for Considering Environmental Impacts, 64 Fed. Reg. 28545 (May 26, 1999).

#### INTRODUCTION

FRA's proposed action is to provide up to \$400 million of funding under the American Recovery and Reinvestment Act of 2009 ("Recovery Act") to fund construction of a train box to accommodate future high-speed train ("HST") service at the TTC, which is an element of Phase 1 of the Transbay Program.

FTA and TJPA prepared the 2004 EIS as a joint environmental impact statement/environmental impact report to satisfy both the requirements of NEPA and the California Environmental

An Environmental Impact Report (EIR) is an environmental document required under the California Environmental Quality Act (CEQA).

# CAMBRIDGE

## Caltrain Downtown Extension and Transbay Ridership Analysis

## (Rulla)

# anddar

ual paindaid

Transbay Joint Powers Authority

hq pərpdərd

Cambriidge Systematites, Inc.

September 2007

Study

Vall

Final Relocation Impact

#### January 2010

# Final Relocation Impact Study II

TIRANSBAY JOINT POWERS AUTHORIT

AgCI



# Relocation Assistance Brochure

Rights and Benefits Under the TJPA's Relocation Assistance Program for Businesses and Nonprofit Organizations

This brochure summarizes the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. Section 4601 et seq., and its implementing regulations, 49 Code of Federal Regulations (CFR) Part 24, and the California Relocation Act, Govt. Code Section 7260 et seq., and its implementing regulations, 25 Cal. Code Regs. Section 6000 et seq.

Much of the content of this brochure was provided by The United States Department of Transportation, Federal Highway Administration, Office of Real Estate Services, Publication Number FHWA-HEP-05-031.



TRANSBAY JOINT POWERS AUTHORITY

# Residential Relocation Assistance Brochure

Rights and Benefits under the TJPA's Relocation Assistance Program for Residential Occupants

This brochure summarizes the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. Section 4601 et seq.; and its implementing regulations, 49 Code of Federal Regulations (CFR) Part 24, and the California Relocation Act, Govt. Code Section 7260 et seq., and its implementing regulations, 25 Cal. Code Regs. Section 6000 et seq.

#### 10INL FOWERS AGREEMENT

#### creating the

#### TRANSBAY JOINT POWERS AUTHORITY

The City and County of San Francisco, a municipal corporation and charter city and county duly organized and existing under its Charter and the Constitution of the State of California (the "City") and the Alameda-Contra Costa Transit District, a transit district duly organized and created in accordance with the Public Utilities Code of the State of California (commercing with Section 24501) (the "District,") and the Peninsula Corridor Joint Powers Board-Caltrain, a joint Section 24501) (the "District, and Santa Clara Valley Transportation Authority, duly created and organized in accordance with the Covernment Code of the State of California (commencing with Section 6500) (the "JPB") all of which entities shall be referred to herein collectively as the Section 6500) (the "JPB") all of which entities shall be referred to herein collectively as the "Members," hereby enter into this Joint Powers Agreement (this "Agreement") creating the "Members," hereby enter into this Joint Powers Agreement (this "Agreement") creating the and operating under the laws of the State of California and each is a public agency as defined in Section 6500 of the Government Code of the State of California.

#### Recitals

- A. The State of California Department of Transportation currently operates and manages a bus transportation terminal in the City commonly known as the Transbay Terminal (the "Old Transbay Terminal") located on the site described in Exhibit A (the "Site").
- B. The Members recognize that the Old Transbay Terminal is underutilized and blighted, and can be developed to provide for regional, seamless, intermodal transit connections.
- C. Pursuant to Chapter 5, Division 7, Title 1 of the Government Code of the State of California the Members may jointly exercise any power common to them.
- The Members desire to jointly participate in the construction, development and operation of a new regional transit hab and related structures and ramps which will provide expanded bus and rail service and direct access to transit located in a new terminal building on the Site and/or property adjacent to the Site including bus storage/staging facilities in the vicinity of the Site, together with all necessary and essential ramps for access to and from the San Storage/staging facilities, as well as a temporary bus facility with access to and from the bus storage/staging facilities, as well as a temporary bus facility with access to and from the bus storage/staging facilities, as well as a temporary bus facility with access to and from the bus storage/staging facilities, as well as a temporary bus facility with access to and from the buses, trains, and the passengers using those systems.
- E. The Members intend to develop and construct a new transportation terminal on the Site, direct access ramps, links to regional transportation systems which includes the downtown temporary terminal for use during construction of the new terminal, bus storage, and other facilities needed to develop the Site and/or property adjacent to the Site to its highest and best use.
- The Members intend to operate and manage the new transit terminal and related facilities (including but not limited to necessary bus storage/staging facilities and connecting ramps)

F

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City and County of San Francisco Prepared by the Department of Elections Check the back cover politing place address. QUOL . S. Holmey QV conselliskojoini IV bent biloz iones pur Voler information Pandvel (6601) (17**/56** OSIQUELE URSITO ATURO DUR AU



## Sales Tax for Transportation





mentation of the New Transportation Expenditure Plan and future Plan updates? cle safety and other projects and continue the existing half-cent sales tax during implethe Caltrain Extension to a new Transbay Terminal, improvements to pedestrian and bicyelderly and disabled, the Central Subway, a citywide network of fast and reliable buses, portation sales tax funds to improved maintenance of local streets, transportation for the Shall the City implement a 30-year New Transportation Expenditure Plan directing trans-

#### Digest

#### by the Ballot Simplification Committee

modified plan is in effect. approved. The sales tax would continue as long as the new or The Transportation Authority could modify the plan if voters

to be repaid from the one-half cent sales tax. ber year and issue up to \$1.88 billion (\$1,880,000,000) in bonds, sales tax. It could spend up to \$485,175 million (\$485,175,000) The Transportation Authority would continue to direct use of the

A two-thirds majority vote is required to approve this measure.

increase the amount of money the Transportation Authority may described in a new 30-year spending plan, or future plans, and the one-half cent sales tax to pay for transportation projects A "YES" VOTE MEANS: If you vote "Yes," you want to continue

spend and borrow to pay for these projects.

these changes. A "NO" VOTE MEANS: If you vote "No," you do not want to make The current authorization for this tax expires March 31, 2010.

City Controller Edward Harrington has issued the following state-

Controller's Statement on "K"

· Replacing the roadway to Golden Gate Bridge (Doyle Drive).

· Support for regional transportation systems (BART, Caltrain,

· Upgrades to the bus system, including new buses, stations

portation spending plan with a new, 30-year plan. Under the new

tinue the one-half cent sales tax, and replace the current trans-THE PROPOSAL: Proposition K is an ordinance that would con-

per year for the approved transportation projects, and can issue up

sales tax money. It can spend up to \$160 million (\$160,000,000)

The San Francisco Transportation Authority directs use of the

Sold it, 2010. This tax will expire on April 1, 2010.

help pay for the transportation projects described in a spending plan

THE WAY IT IS NOW: The City charges a one-half cent sales tax to

 Projects to improve pedestrian and bicycle safety; A Caltrain extension to a new Transbay Terminal;

The proposed ordinance would replace the current authorization

generated is approximately \$2.5 billion over the 30 year period. March 31, 2034. The additional sales tax revenue which would be with a new a 30-year authorization effective April 1, 2004 through

be used to match federal, state and regional transportation funding. icated to transportation projects. Revenue from this tax would also

City would continue to collect an existing one-half cent sales tax ded-Should the proposed ordinance be approved by the voters, the

ment on the fiscal impact of Proposition K:

and ferries); and

sand dedicated lanes;

Construction of a Central Subway;

· Maintenance of local streets;

plan, the money would be used for

.ebnod ni (000,000,247\$) noillim 247\$ of

· Transportation for the elderly and disabled;

Arguments for and against this measure immediately follow this page, the full text begins on page 151,

#### How "K" Got on the Ballot

Proposition K on the ballot. On July 29, 2003 the Board of Supervisors voted 11 to 0 to place

The Supervisors voted as follows:

Maxwell, McGoldrick, Newsom, Peskin, and Sandoval. Yes: Supervisors Ammiano, Daly, Dufly, Gonzalez, Hall, Ma,

THIS MEASURE REQUIRES 66% AFFIRMATIVE VOTES TO PASS.

SOME OF THE WORDS USED IN THE BALLOT DIGEST ARE EXPLAINED ON PAGE 28.

38-Cb143-364S91-NE

## Regional Measure 2

#### REGIONAL MEASURE 2

1870



Shall voters authorize a Regional Traffic Relief Plan that does the following:

- 1. Directs revenues generated through the collection of bridge tolls to provide the following projects:
- a. Expand and extend BART.
- b. New transbay commuter rail crossing south of the San Francisco-Oakland
- c. Comprehensive Regional Express bus network.
- d. New expanded ferry service.
- e. Better connections between BART, buses, ferries, and rail.
- 2. Approves a one dollar (\$1) toll increase effective July 1, 2004, on all toll bridges in the bay area, except the Golden Gate Bridge?

ARGUMENTS FOR AND AGAINST THIS MEASURE IMMEDIATELY FOLLOW THIS PAGE

# ONEMBER 4, 2008 TUESDAY, NOVEMBER 4, 2008 TUESDAY, NOVEMBER 4, 2008

The statutory deadline for placing legislative and initiative measures on the ballot was June 26.

However, a new state law that passed after the deadline requires that Proposition I be removed from the ballot and be replaced by Proposition IA. Therefore, although you are receiving information about both measures in the two state voter guides, only Proposition IA will appear on your November 4, 2008, General Election ballot.

OFFICIAL VOTER INFORMATION GUIDE

Certificate of Correctmens

I, Debra Bowen, Secretary of State of the State of California, do hereby certify that the measure included herein will be submitted to the electors of the State of California at the General Election to be held throughout the State on November 4, 2008, and that this guide has been correctly prepared in accordance with the law.

Witness my hand and the Great Seal of the State in Sacramento, California, on this 18th day of September, 2008.

Ach - Banc - Ash Sunde contains information This guide contains measure

This guide contains moreome this guide contains measure regarding one additional measure that have movember ballot.

Debra Bowen Secretary of State

providing for the handling and disposition of those funds. through the issuance and sale of bonds of the State of California and by passenger train system by providing the funds necessary therefor 3 of the Streets and Highways Code, relating to financing a high-speed An act to add Chapter 20 (commencing with Section 2704) to Division

with Secretary of State September 19, 2002.] [Approved by Governor September 19, 2002. Filed

SB 1856, Costa. Safe, Reliable High-Speed Passenger Train Bond **TEGISTYLIAE CONNSELS DIGEST** 

Act for the 21st Century.

intercity high-speed rail service. responsibility of directing the development and implementation of Existing law creates the High-Speed Rail Authority with the

Bay Area to Los Angeles will serve as the backbone of what will become (b) The initial high-speed train network linking San Francisco and the

transportation needs of the growing population and economic activity of High-Speed Rail Authority's Business Plan is essential for the very clear that a high-speed passenger train network as described in the SECTION 1. (a) In light of the events of September 11, 2001, it is

The bill would provide for the submission of the bond act to the voters

high-speed train system would not be issued earlier than January I, enhancements and safety improvements to those lines. Bonds for the connectivity to the high-speed train system and for capacity be available for capital projects on other passenger rail lines to provide authority. Nine hundred fifty million dollars of the bond proceeds would high-speed train system in this state pursuant to the business plan of the funds for the purpose of funding the planning and construction of a billion of which would be used in conjunction with available federal provide for the issuance of \$9.95 billion of general obligation bonds, \$9 Bond Act for the 21st Century, which, subject to voter approval, would This bill would enact the Safe, Reliable High-Speed Passenger Train

The people of the State of California do enact as follows:

at the general election on Movember 2, 2004.

9007

CHAPTER 697

Senate Bill No. 1856

#### Senate Bill No. 916

#### CHAPTER 715

appropriation therefor. the Statutes of 1997 relating to transportation, and making an 5205.5 of the Vehicle Code, and to amend Section 5 of Chapter 898 of and 30951 of, the Streets and Highways Code, and to amend Section repeal and add Sections 30102.5, 30890, 30911, 30914, 30917, 30921, (commencing with Section 30350) of Chapter 1 of Division 17 of, to ot, to repeal Article 5 (commencing with Section 30200) and Article 7 30792, 20794, 30795, 30805, 8880E, 8880E, 3080E, 20794, 3080E, 207940E, 20794, 3080E, 20794, 3080E, 20794, 3080E, 20794, 3080E, 207940, 3080E, 20794, 3080E, 30763, 30764, 30764.5, 30765, 30766, 30767, 30791.7, 30792, 30608.2, 30752, 30753, 30754, 30755, 30756, 30757, 30762, 30762.5, 30910.5, 30914.5, and 30922 to, and to repeal Sections 30603, 30605, amend and renumber Section 188.10 of, to add Sections 188.53, 30881, 30950.4, 30953, 30958, 30960, 30901, 31000, 31010, and 31071 of, to 30916, 30918, 30919, 30920, 30950, 309501, 30950.2, 30950.3, 30885, 30887, 30898, 30891, 30894, 30910, 30912, 30913, 30915, 30601, 30604, 30606, 30750, 30751, 30760, 30761, 30791, 30884, Sections 182.5, 188.3, 188.4, 188.10, 30101, 30101.8, 30113, 30600, An act to amend Section 14531 of the Government Code, to amend

Secretary of State October 9, 2003.] [Approved by Governor October 8, 2003. Filed with

Toll bridge revenues: Treasure Island Development SB 916, Perata. LEGISLATIVE COUNSEL'S DIGEST

purposes that reduce vehicular congestion on the bridges. who is required to disburse these funds to the MTC to expend for portion of this revenue is continuously appropriated to the Controller base toll charge collected from these bridges. Under existing law, a the programming, administration, and allocation of the revenue from the (BATA), which is defined as the same body as the MTC, responsible for Area. Existing law makes the MTC and the Bay Area Toll Authority Commission for the state-owned toll bridges in the San Francisco Bay a toll schedule in lieu of the one adopted by the California Transportation Metropolitan Transportation Commission (MTC) is authorized to adopt crossing the state-owned toll bridges. Under existing law, the Commission responsible for establishing the rates charged vehicles for Existing law generally makes the California Transportation Authority.