

1 [Real Property Conveyance - Land Dedication by Archstone Concourse, LLC - 600-7th Street -
2 Inclusionary Affordable Housing]

3 **Resolution approving and authorizing an agreement for the conveyance of a parcel of**
4 **real estate, consisting of approximately 37,800 square feet (approximately 0.87 acre) of**
5 **land, within Block No. 3783 in San Francisco County to the Mayor’s Office of Housing**
6 **and Community Development pursuant to the land dedication process permitted under**
7 **Planning Code, Section 419; adopting findings under the California Environmental**
8 **Quality Act; adopting findings that the conveyance is consistent with the City’s General**
9 **Plan, and the eight priority policies of City Planning Code, Section 101.1; and**
10 **authorizing the Director of Property to execute documents, make certain modifications**
11 **and take certain actions in furtherance of this Resolution as defined herein.**

12
13 WHEREAS, Archstone Concourse, LLC, a Delaware limited liability company
14 (“Developer”) is the owner of 801 Brannan Street, San Francisco, on which Developer intends
15 to develop a new six-story building consisting of approximately 432 dwelling units,
16 approximately 19,650 square feet of ground floor retail, and parking for up to 422 spaces (the
17 “Principal Site”); and

18 WHEREAS, Developer is also the owner of 1 Henry Adams Street, San Francisco, on
19 which Developer intends to develop two new six-story buildings consisting of approximately
20 239 dwelling units, 13,138 square feet of ground floor retail, and parking for up to 164 spaces
21 (the “1HA Site”); and

22 WHEREAS, Developer is subdividing the Principal Site to create a separate legal
23 parcel consisting of approximately 37,800 square feet (approximately 0.87 acre) of land,
24 located at 600 7th Street, San Francisco (the “Property”); and

1 WHEREAS, Developer has elected to satisfy the Inclusionary Affordable Housing
2 Program requirements under Planning Code, Section 415 for the 1HA Site and the
3 requirements for a portion of the Principal Site by dedicating the Property to the City pursuant
4 to Planning Code, Section 419; and

5 WHEREAS, The potential environmental effects of the land dedication of the Property
6 were fully analyzed in the Final Environmental Impact Report, 801 Brannan and One Henry
7 Adams Streets Projects, Case No. 2000.618E, which was certified by Planning Commission
8 Motion No. 18792, dated January 24, 2013, (the "FEIR"), a copy of which is on file with the
9 Clerk of the Board of Supervisors under File No. _____ and incorporated herein by
10 reference; and

11 WHEREAS, The land dedication of the Property was included in the Large Project
12 Authorization approvals and California Environmental Quality Act (CEQA) findings for the
13 Principal Site and 1HA Site, which were considered and approved by Planning Commission
14 Motions No. 18793 and 18794 dated January 24, 2013, copies of which are on file with the
15 Clerk of the Board of Supervisors under File No. _____ and incorporated herein by
16 reference ("Planning Approvals"); and

17 WHEREAS, As a condition to the approval of the land dedication of the Property, and
18 as further described in the Planning Approvals, the Mayor's Office of Housing and Community
19 Development (MOHCD) determined that the Property is suitable for development of
20 approximately 150 affordable housing dwelling units as required under Planning Code,
21 Sections 419.5(2) and 419.6; and

22 WHEREAS, The terms and conditions of the conveyance of the Property to the City
23 have been negotiated, as further outlined in the Agreement of Purchase and Sale for Real
24 Estate by and between the Developer and City (the "Agreement"), a copy of which is on file
25 with the Clerk of the Board of Supervisors under File No. _____ and is incorporated

1 herein by reference, pursuant to which Developer shall convey the fee title of the Property to
2 City; and

3 WHEREAS, The Property was appraised by a third party appraiser as having a fair
4 market value of \$24,750,000, and said appraisal was reviewed and approved by the City's
5 Director of Property; and

6 WHEREAS, The results of preliminary environmental testing on the Property
7 discovered concentrations of toxic substances in the soil exceeding State of California waste
8 criteria; and

9 WHEREAS, The Agreement provides for the Developer to: 1) demolish and remove the
10 existing improvements (visible and latent) on the Property; 2) perform remediation in
11 conformance with the Site Mitigation Plan prepared by Langan, Treadwell and Rollo dated
12 March 26, 2014, and submitted to the San Francisco Department of Public Health, a copy of
13 which is on file with the Clerk of the Board of Supervisors under File No. _____ and
14 is incorporated herein by this reference, all at Developer's sole expense (the "Remediation
15 Work"); and 3) to purchase and maintain, at its sole cost and expense, a pollution insurance
16 policy for the Property that covers the Remediation Work; and

17 WHEREAS, The Planning Approvals determined that the development of the Principal
18 Site and 1HA Site and the land dedication of the Property are consistent with the City's
19 General Plan, and with the eight priority policies of City Planning Code, Section 101.1, now,
20 therefore, be it

21 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
22 hereby adopts the findings contained in the FEIR and Planning Approvals regarding CEQA,
23 and hereby incorporates such findings by reference as though fully set forth in this Resolution;
24 and, be it

25

1 FURTHER RESOLVED, That the Board of Supervisors of the City and County of San
2 Francisco hereby finds that the conveyance of the Property is consistent with the General
3 Plan, and with the eight priority policies of City Planning Code, Section 101.1 for the same
4 reasons as set forth in the Planning Approvals, and hereby incorporates such findings by
5 reference as though fully set forth in this Resolution; and, be it

6 FURTHER RESOLVED, That in accordance with the recommendation of the Director
7 of MOHCD and Director of Property, the Board of Supervisors hereby approves the
8 conveyance of the Property to the City and the transaction contemplated thereby in
9 substantially the form of the Agreement presented to the Board, and authorizes the Director of
10 Property to execute the Agreement; and, be it

11 FURTHER RESOLVED, That all actions heretofore taken by any employee or official of
12 the City with respect to this conveyance are hereby approved, confirmed and ratified; and, be
13 it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
15 Property to enter into any amendments or modifications to the Agreement (including, without
16 limitation, the attached exhibits) that the Director of Property determines, in consultation with
17 the City Attorney and Director of MOHCD, are in the best interest of the City, do not otherwise
18 materially increase the obligations or liabilities of the City, are necessary or advisable to
19 effectuate the purposes of the Agreement and are in compliance with all applicable laws,
20 including City's Charter; and, be it

21 FURTHER RESOLVED, That the Director of Property is hereby authorized, in the
22 name and on behalf of the City and County, to accept the deed to the Property from the
23 Developer upon the closing in accordance with the terms and conditions of the Agreement,
24 and to take any and all steps as the Director of Property deems necessary or appropriate in
25 order to consummate the conveyance of the Property pursuant to the Agreement, or to

1 otherwise effectuate the purpose and intent of this Resolution, such determination to be
2 conclusively evidenced by the execution and delivery by the Director of Property of any such
3 documents.

4 RECOMMENDED:

5 REAL ESTATE DIVISION
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9 _____
John Updike
Director of Property

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11 RECOMMENDED:

12 MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
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16 _____
Olson Lee
Director

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