



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Real Estate Services Division AGENDA NO. 12

MEETING DATE October 14, 2014

Real Estate Easement Sale: Regular Calendar
Real Estate Director: Rosanna Russell

Authorize Agreement to Sell and Vacate the SFPUC's Easement at 98 Crown Terrace in San Francisco

Summary of Proposed Commission Action:	Approve the terms and conditions and authorize the General Manager to enter into an agreement to sell and vacate an approximately 999-square foot sanitary sewer easement on Block 2705, Lot 029 at 98 Crown Terrace, San Francisco, California to Michele Sweeney and Lucy R. Wohltman, for \$16,000.
Background:	<p>The City and County of San Francisco (City) through the SFPUC, owns a sanitary sewer easement (Easement) on and under real property at 98 Crown Terrace, San Francisco (Property), owned by Michele Sweeney and Lucy R. Wohltman (together, Buyer) pursuant to a quitclaim deed dated October 8, 1958.</p> <p>Since the SFPUC took possession of the Easement, the SFPUC has not constructed any sewer infrastructure or related facilities in or on the Easement. The Wastewater Enterprise confirmed that the SFPUC has no foreseeable future need for the Easement.</p> <p>Under Section 8333 of the California Streets and Highways Code, a local agency may summarily vacate a public service easement when (i) the easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years preceding the proposed vacation, (ii) the easement has been determined to be excess by the easement holder, and (iii) there are no other public facilities located within the easement. Under Section 8334.5 of the California Streets and Highways Code, summary vacation is allowed if there are no in-place utility facilities that are in use and would be affected by the vacation. The SFPUC is seeking a summary vacation of this easement under Section 8334.5.</p> <p>The San Francisco Department of Public Works advised SFPUC Real Estate Services (RES) staff that there are no in-place public utility facilities within</p>

APPROVAL: _____

COMMISSION
SECRETARY

Donna Hood

	<p>the Easement in accordance with Section 8334.5 of the California Streets and Highways Code</p> <p>Buyer asked the SFPUC to vacate the Easement so Buyer may proceed with construction on the Property.</p> <p>Buyer is the only potential purchasers of the Easement. On October 22nd, 2013, Advanced Appraisal International, Inc. submitted an appraisal of \$16,000. The City's Department of Real Estate reviewed and approved the appraised value. Buyer is willing to pay the fair market value of \$16,000 in addition to all escrow costs and SFPUC's administrative cost of obtaining approval from the Board of Supervisors.</p>	
<p>Environmental Review:</p>	<p>The Bureau of Environmental Management determined the proposed action is categorically exempt from CEQA under Class 1, Section 15301(e)(2) of the CEQA Guidelines. The Environmental Review Officer concurred with this determination on June 19, 2014 (Case No. 2013.1885E). On June 25, 2014, the Planning Director found that the General Plan Easement vacation and sale conforms to the City's General Plan, and is consistent with the Eight Priority Policies of Planning Code Section 101.1. Both the categorical exemption and the General Plan Referral are attached.</p>	
<p>Result of Inaction:</p>	<p>A delay in adopting the attached resolution will delay the SFPUC's receipt of \$16,000 and delay Buyer's planned property improvements.</p>	
<p>Budget & Costs:</p>	<p>Buyer will pay transfer taxes, property taxes, escrow fees, recording charges and other escrow costs of the escrow for the sale. Buyer will pay SFPUC's administrative cost of obtaining approval from the Board of Supervisors and Mayor up to a maximum amount of \$4,000.</p>	
<p>Description of Agreement:</p>	<p>Parties to Agreement:</p>	<p>City and County of San Francisco, acting through the SFPUC, and Michele Sweeney and Lucy R. Wohltman</p>
	<p>Purchase Price:</p>	<p>\$16,000</p>
	<p>Purpose:</p>	<p>Agreement to sell and vacate SFPUC's Easement</p>
	<p>Location:</p>	<p>98 Crown Terrace, (Block 2705, Lot 029) San Francisco</p>
	<p>Insurance and Indemnity</p>	<p>Buyer shall obtain title insurance and insure and indemnify the SFPUC against risks associated with the Easement sale.</p>
	<p>Closing Date:</p>	<p>Delivery of all items to be made at the Closing under the terms of the Agreement shall be at the offices of the Title Company on (i) the date that is 45 days after the enactment of the Board of Supervisors ordinance or if such date is not a business day, then upon the next ensuing business day, before 1:00 p.m. San Francisco time, or (ii) such earlier date and time as Buyer</p>

Agreement: Authorize sale and vacation of SFPUC Easement at 98 Crown Terrace
Commission Meeting Date: October 14, 2014

		and City may mutually agree upon in writing.
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.	
Attachments:	<ol style="list-style-type: none">1. SFPUC Resolution2. Sale Agreement3. General Plan Referral4. CEQA Exemption	

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. _____

WHEREAS, The City and County of San Francisco (City), through its Public Utilities Commission (SFPUC), owns a sanitary sewer easement (Easement) under the real property located at 98 Crown Terrace in San Francisco (Property), which is owned by Michele Sweeney and Lucy R. Wohltman, as joint tenants (together, Buyer); and

WHEREAS, Under the terms of a quitclaim deed dated October 8, 1958, City holds rights allowing for the construction, reconstruction, maintenance, operation, repair and/or removal of a sanitary sewer and related appurtenances; and

WHEREAS, Since the date City took possession of the Easement, City has not constructed any sewer infrastructure or related facilities in or on the Easement and has no future plans to use the Easement; and

WHEREAS, The SFPUC procured an appraisal for the Easement prepared by Advanced Appraisal International, Inc. dated October 22, 2013 and approved by the City's Director of Real Property, in the amount of \$16,000.00 (Appraisal); and

WHEREAS, The fair market value of the Easement was established based on the appraised value set forth in the Appraisal; and

WHEREAS, Buyer is the only potential purchaser of the Easement and is willing to pay the fair market value of \$16,000 for the Easement; and

WHEREAS, Section 8333 of the California Streets and Highways Code provides that the legislative body of a local agency may summarily vacate a public service easement under certain circumstances. In particular, Section 8333 provides that the legislative body of a local agency may summarily vacate a public service easement when (i) the easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation, (ii) the easement has been determined to be excess by the easement holder, and (iii) there are no other public facilities located within the easement. In addition, Section 8334.5 of the California Streets and Highways Code allows for a summary vacation only if there are no in-place utility facilities that are in use and would be affected by the vacation; and

WHEREAS, The Department of Public Works has advised the SFPUC's Real Estate Services Division that there are no in-place public utility facilities within the Easement to be vacated; and

WHEREAS, On June 19, 2014, the Environmental Review Officer determined that this action is categorically exempt under Class 1, Section 15301(e)(2) of the CEQA Guidelines; and on June 25, 2014, the Planning Director found that the General Plan Easement vacation and sale conforms to the City's General Plan, and is consistent with the Eight Priority Policies of Planning Code Section 101.1; and

WHEREAS, The City and Buyer have negotiated an Agreement for Sale of Real Estate (the Sale Agreement), which provides for the sale of City's interest in the Easement to Buyer for \$16,000, subject to approval by the Board of Supervisors and the Mayor; now, therefore, be it

RESOLVED, That this Commission hereby finds that the Easement is surplus to the SFPUC's current and future utility needs and authorizes the Director of Property and/or the General Manager of the SFPUC to seek approval of the Sale Agreement by City's Board of Supervisors and the Mayor, and upon such approval, to execute the Sale Agreement in substantially the same form presented to this Commission; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager of the San Francisco Public Utilities Commission and/or the Director of Property to enter into any amendments or modifications to the Sale Agreement, including the exhibits, that the General Manager or Director of Property determines, in consultation with the City Attorney, are in the best interest of the City, do not materially increase the obligations or liabilities of the City or materially diminish the benefits to the City, are necessary or advisable to effectuate the purposes and intent of the Sale Agreement or this resolution; and are in compliance with all applicable laws, including the City Charter; and be it

FURTHER RESOLVED, That this Commission hereby authorizes and directs the SFPUC's General Manager to execute the Sale Agreement, subject to Board of Supervisors and Mayor approval; and be it

FURTHER RESOLVED, That, upon approval by City's Board of Supervisors and the Mayor, this Commission authorizes the Director of Property and/or the SFPUC General Manager to execute and deliver the quitclaim deed conveying the Easement to Buyer; and be it

FURTHER RESOLVED, That upon approval by City's Board of Supervisors and the Mayor, this Commission authorizes the Director of Property and/or the General Manager of the SFPUC to take any and all other steps they, in consultation with the City Attorney, deem necessary and advisable to effectuate the purpose and intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of October 14, 2014.

Secretary, Public Utilities Commission



SAN FRANCISCO PLANNING DEPARTMENT

General Plan Referral

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Date: June 25, 2014
Case No. **Case No. 2014.0023R**
PUC sale of Easement, 98 Crown Terrace

Block/Lot No.: 2705/029

Project Sponsor: Lucy Wohltman and Michael Sweeney
98 Crown Terrace
San Francisco, CA 94114

Applicant: Josh Keene
SFPUC – Real Estate
525 Golden Gate Ave., 10th Floor
San Francisco, CA 94102

Staff Contact: Amnon Ben-Pazi – (415) 575-9077
amnon.ben-pazi@sfgov.org

Recommendation: Find the project, on balance, **in conformity** with
the General Plan

Recommended
By: 
John Rahaim, Director of Planning

PROJECT DESCRIPTION

98 Crown Terrace is a privately owned lot zoned for residential use and improved with a two-unit residential structure. The SFPUC owns a Sewer Easement on a portion of the lot, which prohibits certain types of construction. The owners of 98 Crown Terrace propose to expand the existing building into the area subject to the Sewer Easement (more details on this proposal can be found in Case No. 2013.1885E). The SFPUC has made a preliminary determination that the Sewer Easement is no longer needed, and this preliminary determination is expected to be formalized in a forthcoming Commission meeting.

The SFPUC is requesting authorization from the Board of Supervisors to quitclaim the Sewer Easement at 98 Crown Terrace at fair market value. While removal of the Sewer Easement is a necessary condition for

the proposed alteration of the residential building at the project site, any Board of Supervisors action authorizing the SFPUC to quitclaim the Sewer Easement would in no way constitute a recommendation or approval of any proposed development or future use at the site.

SITE DESCRIPTION AND PRESENT USE

The site is a privately owned lot in the Twin Peaks district, zoned for residential use and improved with a two-unit residential structure. Due to the steep terrain, several streets were improved as public stairways when the area was developed, including Pemberton Place directly across Crown Terrace from the project site. Pemberton Place originally extended as a public stairway through the project site, which slopes up from Crown Terrace. However, this section of the public right of way was vacated by the City in 1958 and has been amalgamated into the lot. A portion of the staircase remains at the site, but does not currently connect to or provide access to any other parcel or street. The SFPUC Sewer Easement runs along the former Pemberton Place right of way at the project site.

ENVIRONMENTAL REVIEW

The removal of the Sewer Easement was determined to be exempt from environmental review, Categorical Exemption, Class 1 (State CEQA Guidelines Section 15303(e)(2)), in Case No. 2013.1885E, 98 *Crown Terrace*.

GENERAL PLAN COMPLIANCE AND BASIS FOR RECOMMENDATION

The SFPUC has determined that the Sewer Easement at 98 Crown Terrace is no longer needed and is requesting authorization from the Board of Supervisors to quitclaim it at fair market value. Any such authorization would in no way constitute a recommendation or approval of any proposed development or future use on or around the Sewer Easement and the project site. The Project is consistent with the Eight Priority Policies of Planning Code Section 101.1 as described in the body of this letter and is, on balance, **in-conformity** with the following Objectives and Policies of the General Plan:

URBAN DESIGN ELEMENT

POLICY 2.8

Maintain a strong presumption against the giving up of street areas for private ownership or use, or for construction of public buildings.

Comment: The former Pemberton Place public right of way at the project site was vacated by the City in 1958 and has been amalgamated into the lot. While a portion of the staircase remains at the site, it does not currently connect to or provide access to any other parcel or street. Since the Sewer Easement does not in itself enable public access, its sale would not constitute the giving up of street area.

Eight Priority Policies Findings

The Project is to quitclaim an unneeded Sewer Easement. Overall, it is consistent with Planning Code Section 101.1 in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced.
The site is zoned for residential use. The proposed removal of the Sewer Easement will have no effect on neighborhood serving retail.
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhood.
The proposed removal of the Sewer Easement is distinct from any physical changes that may be proposed by the property owner, and thus would not in itself have any bearing on neighborhood character.
3. That the City's supply of affordable housing be preserved and enhanced.
The proposed removal of the Sewer Easement is distinct from any physical changes that may be proposed by the property owner, and would not in itself have any bearing on affordable housing.
4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.
The proposed removal of the Sewer Easement will have no effect on traffic or parking.
5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for residential employment and ownership in these sectors be enhanced.
The site is zoned for residential use. The proposed removal of the Sewer Easement will have no effect on industrial or service businesses in the City.
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.
The proposed removal of the Sewer Easement will have no effect on earthquake preparedness.
7. That landmarks and historic buildings be preserved.
The proposed removal of the Sewer Easement is distinct from any physical changes that may be proposed by the property owner, and thus will have no direct effect on landmarks or historic buildings.
8. That our parks and open space and their access to sunlight and vistas be protected from development.
The proposed removal of the Sewer Easement is distinct from any physical changes that may be proposed by the property owner, and thus will have no direct effect on parks and open space.

RECOMMENDATION:

**Find the Project, on balance, in-conformity
with the General Plan**

**GENERAL PLAN REFERRAL
98 CROWN TERRACE
SALE OF SEWER EASEMENT**

CASE NO. 2014.0023R

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SAN FRANCISCO PLANNING DEPARTMENT

Certificate of Determination EXEMPTION FROM ENVIRONMENTAL REVIEW

Case No.: 2013.1885E
 Project Title: 98 Crown Terrace
 Zoning: RH-1 (Residential, House, One-Family) District
 40-X Height and Bulk District
 Block/Lot: 2705/029
 Lot Size: 4,817 square feet
 Project Sponsor: George A. Bradley
 (415) 861-6567
 Staff Contact: Kei Zushi - (415) 575-9036
kei.zushi@sfgov.org

1650 Mission St.
 Suite 400
 San Francisco,
 CA 94103-2479

Reception:
415.558.6378

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415.558.6409

Planning
 Information:
415.558.6377

PROJECT DESCRIPTION:

The approximately 4,800-square-foot (sf) project site is located on the block bounded by Crown Terrace, Raccoon Drive, Twin Peaks Boulevard, and Clarendon Avenue in the Twin Peaks neighborhood. The proposed project would involve: 1) the removal of an existing 10-foot-wide sewer easement located in the southeastern portion of the project site; 2) façade improvements and a two-story, approximately 1,080-sf horizontal and vertical, side and rear additions to the existing 38-foot-tall, two-story, approximately 2,600-sf two-family residence built in 1926, resulting in a 40-foot-tall, two-story, approximately 3,680-sf two-family residence; and 3) removal of the existing front brick stairs and construction of new stairs.

(Continued on Second Page.)

EXEMPT STATUS:

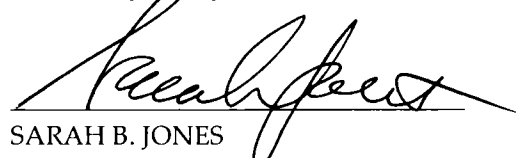
Categorical Exemption Class 1 [State CEQA Guidelines Section 15303(e)(2)]

REMARKS:

See next page.

DETERMINATION:

I do hereby certify that the above determination has been made pursuant to State and local requirements.



SARAH B. JONES
 Environmental Review Officer

June 19, 2014
 Date

cc: George A. Bradley, Project Sponsor
 Gretchen Hilyard, Preservation Planner
 Supervisor Scott Wiener, District 8 (via Clerk of the Board)

Historical Preservation List
 Bulletin Board
 Virna Byrd, M.D.F

PROJECT DESCRIPTION (continued):

Reinforced concrete spread footings would be used for the proposed project.¹ Project implementation would entail soil-disturbing activities associated with building construction, including excavation that would reach a depth of approximately 5 feet below grade surface (bgs) and removal of approximately 120 cubic yards of soil.²

Project Approval:

Approval Action: The proposed project is subject to notification under Section 311 of the Planning Code. If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project. If no Discretionary Review is requested, the issuance of a building permit by the Department of Building Inspection (DBI) is the Approval Action. The Approval Action date establishes the start of the 30-day appeal period for this CEQA exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

REMARKS:**Historic Architectural Resources**

The existing building on the project site is not considered to be an historic resource for the purposes of CEQA.³ A Preservation Team Review (PTR) Form has been prepared for the proposed project based on a Historic Resource Evaluation (HRE) prepared by Kelley Consulting.⁴ The existing multi-family residence, designed in a variation of the Craftsman architectural style, was constructed in 1926 by the original owner, Carl Zethraeus. There is an abandoned flight of brick stairs located in a southern portion of the project site, which was constructed circa 1908 as part of the right-of-way for Pemberton Place. Pemberton Place was a feature of the Ashbury Park Tract Development.

The project site is not eligible for listing in the California Register under any criteria: no known historic events occurred at the property (Criterion 1); none of the owners or occupants have been identified as important to history (Criterion 2); and the building and abandoned section of the Pemberton Place Stairs are not architecturally distinct (Criterion 3) such that they would qualify for listing in the California Register. The project site is not located within the boundaries of any identified historic districts. The area surrounding the project site does not contain a substantial concentration of historically or aesthetically unified buildings.

¹ George Bradley, Project Sponsor. *Email to Kei Zushi, San Francisco Planning Department, Foundation Types: 98 Crown Terrace*, June 2, 2014. This email is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

² George Bradley, Project Sponsor. *Emails to Kei Zushi, San Francisco Planning Department, Soil Disturbing Activity: 98 Crown Terrace*, March 3 and June 2, 2014. These emails are available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

³ Gretchen Hilyard, San Francisco Planning Department. *Preservation Team Review (PTR) Form, 98 Crown Terrace (Case No. 2013.1885E)*, May 7, 2014. This document is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

⁴ Tim Kelley Consulting, LLC. *Part I Historical Resource Evaluation, 98 Crown Terrace, San Francisco, California*, April, 2014. This document is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

Based on the above, the Planning Department has determined that the proposed project would cause no adverse impacts to known or potential historic architectural resources.

Archeological Resources

The Planning Department staff reviewed the proposed project to determine if any archeological resources would be affected and determined that the proposed project would not adversely affect any CEQA-significant archeological resources.⁵

Geology

According to the Planning Department's records, the project site includes slopes greater than 20 percent and is not located in a Landslide Hazard Zone or Liquefaction Hazard Zone. A geotechnical investigation report and supplemental memo have been prepared for the proposed project, and found that the project site is suitable to support the proposed improvements.^{6,7} The primary geotechnical concerns are founding improvements in competent earth materials, excavation of bedrock, support of temporary slopes and adjacent improvements, and seismic shaking and related effects during earthquakes. The planned improvements may be supported on a conventional spread footing foundation bearing in competent earth materials. If the spread footings would cover a substantial portion of the building area, a mat foundation may be used as an alternative to reduce forming and steel bending costs. The project sponsor has agreed to implement all applicable recommendations outlined in the geotechnical investigation report, subject to DBI review and permitting.⁸

The final building plans would be reviewed by DBI. In reviewing building plans, DBI refers to a variety of information sources to determine existing hazards. Sources reviewed include maps of Special Geologic Study Areas and known landslide areas in San Francisco as well as the building inspectors' working knowledge of areas of special geologic concern. DBI will review the geotechnical report and building plans for the proposed project to determine the adequacy of the proposed engineering and design features and to ensure compliance with all applicable San Francisco Building Code provisions regarding structural safety. The above-referenced geotechnical investigation report would be available for use by DBI during its review of building permits for the site. In addition, DBI could require that additional site specific soils report(s) be prepared in conjunction with permit applications, as needed. The DBI requirement for a geotechnical report and review of the building permit application pursuant to DBI's implementation of the Building Code would ensure that the proposed project would have no significant impacts related to soils or geology.

⁵ Randall Dean, San Francisco Planning Department. *Archeological Review Log*.

⁶ H. Allen Gruen. *Geotechnical Consultation, Proposed Improvements at 98 Crown Terrace, San Francisco, California*, April 9, 2014. This document is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

⁷ H. Allen Gruen. *Report, Geotechnical Investigation, Planned Improvements at 98 Crown Terrace, San Francisco, California*, October 19, 2013. This document is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

⁸ George Bradley, Project Sponsor. *Email to Kei Zushi, San Francisco Planning Department, Foundation Types: 98 Crown Terrace*, June 2, 2014. This email is available for review as part of Case File No. 2013.1885E at 1650 Mission Street, Suite 400, San Francisco, CA.

Exempt Status

The proposed project would involve minor interior and exterior alterations to the existing building. The proposed project would also involve the addition of approximately 1,080 sf to the existing 2,600-sf residence. As a result of the addition, the building would be approximately 3,680 sf in size. CEQA State Guidelines Section 15301(e)(2), or Class 1, provides an exemption from environmental review for additions to existing structures provided that the addition will not result in an increase of more than 10,000 sf and that the project site is in an area where all public services and facilities are available and the project site area is not environmentally sensitive. The increase in building size is well below the 10,000-sf limitation. The project site is in a developed area where public services are available and the project site area is not environmentally sensitive. Therefore, the proposed addition would be exempt under Class 1.

Conclusion

CEQA State Guidelines Section 15300.2 states that a categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. The proposed project would not have a significant effect on a historic resource, surrounding historic district, or other historic buildings in the vicinity. There are no other unusual circumstances surrounding the current proposal that would suggest a reasonable possibility of a significant environmental effect. The project would be exempt under the above-cited classification. For the above reasons, the proposed project is appropriately exempt from environmental review.