

AMENDED IN COMMITTEE

6/17/16

FILE NO. 160652

RESOLUTION NO.

1 [Real Property Purchase - 440 Turk Street - San Francisco Housing Authority - Not to Exceed
2 \$5,000,000]

3 **Resolution authorizing the execution and acceptance of a Purchase and Sale**
4 **Agreement by and between the City and the Housing Authority of the City and**
5 **County of San Francisco ("Seller"), for the real property located at 440 Turk Street**
6 **(Assessor's Parcel Block No. 0336, Lot No. 005) for no greater than \$5,000,000;**
7 **and finding the proposed transaction is in conformance with the General Plan, and**
8 **the eight priority policies of Planning Code, Section 101.1.**

9
10 WHEREAS, Effective July 1, 2016 the City will launch the new Department of
11 Homelessness and Supportive Housing (HOM) to help homeless residents
12 permanently exit the street and move into housing and services; and

13 WHEREAS, HOM's staffing is expected to be populated largely through
14 transfers of employees from the Department of Human Services and the Human
15 Services Agency in an effort to better coordinate the provision of services; and

16 WHEREAS, Placing all such staff engaged in outreach, sheltering and
17 supportive housing within one location affords the most efficient means of ensuring a
18 coordinated approach to delivering such services; and

19 WHEREAS, 440 Turk Street (the "Property") is Assessor's Parcel Block No.
20 0336, Lot No. 005, owned by the Seller, proximate to many of those served by HOM,
21 and is readily available for occupancy following modest improvements; and

22 WHEREAS, The acquisition of the Property meets a goal of Seller to monetize
23 their interest in the Property, while benefiting the City and County of San Francisco;
24 and

1 WHEREAS, The Planning Department, through General Plan Referral letter
2 dated June 16, 2016, ("Planning Letter"), which is on file with the Clerk of the Board
3 of Supervisors under File No. 160652, has verified that the City's acquisition of the
4 Property is consistent with the General Plan, and the eight priority policies under
5 Planning Code, Section 101.1; and

6 WHEREAS, The Director of Property, in consultation with and as approved by
7 the Office of the City Attorney, intends to negotiate a proposed Purchase and Sale
8 Agreement for the Property, (the "Agreement"), with a purchase price that shall not
9 exceed \$5,000,000 (the "Purchase Price"); and

10 WHEREAS, An MAI appraiser shall be competitively selected to perform an
11 appraisal of the Property, to determine the fair market value; now, therefore, be it

12 RESOLVED, That the Board of Supervisors hereby finds that the acquisition of
13 the Property is consistent with the General Plan, and eight priority policies of
14 Planning Code, Section 101.1, and hereby incorporates such findings by reference as
15 though fully set forth in this Resolution; and, be it

16 FURTHER RESOLVED, That the Purchase Price for the Property shall not
17 exceed \$5,000,000; and, be it

18 FURTHER RESOLVED, That the Purchase Price for the Property shall not
19 exceed the approved appraised value of the Property, as determined by an MAI
20 appraiser; and, be it

21 FURTHER RESOLVED, That in accordance with the recommendation of the
22 Director of Property and Mayor, the jurisdiction of the Acquisition Site will be assigned
23 upon close of escrow to the Real Estate Division to be managed and operated on
24 behalf of HOM; and, be it

1 FURTHER RESOLVED, That the execution, delivery and performance of the
2 Agreement is hereby approved and the Director of Property (or his designee) are
3 hereby authorized to execute the Agreement, in substantially the form of Agreement
4 referenced herein, on behalf of the City and any such other documents that are
5 necessary or advisable to complete the transaction contemplated by the Agreement
6 and effectuate the purpose and intent of this Resolution; and, be it

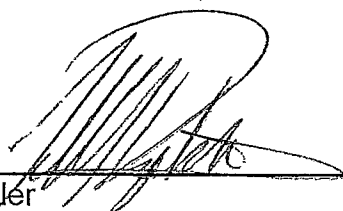
7 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director
8 of Property (or his designee), in consultation with the City Attorney, to enter into any
9 additions, amendments or other modifications to the Agreement and any other
10 documents or instruments necessary in connection therewith, that the Director of
11 Property determines are in the best interests of the City, do not materially decrease
12 the benefits to the City with respect to the Property, do not materially increase the
13 obligations or liabilities of the City, and are necessary or advisable to complete the
14 transaction contemplated in the Agreement and that effectuate the purpose and intent
15 of this Resolution, such determination to be conclusively evidenced by the execution
16 and delivery by the Director of Property (or his designee) of any such additions,
17 amendments, or other modifications; and, be it

18 FURTHER RESOLVED, That the Director of Property shall provide the Clerk
19 of the Board of Supervisors a fully executed copy of the Purchase and Sale
20 Agreement within thirty (30) days of signature of same; and, be it

21 FURTHER RESOLVED, That the Director of Property shall provide the Clerk
22 of the Board of Supervisors the results of the completed appraisal of the Property
23 within five (5) days of completion and approval; and be it

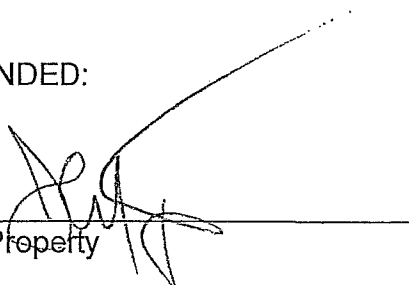
24 FURTHER RESOLVED, That the Director of Property shall notify the Board of
25 Supervisors immediately upon the close of escrow with the Seller.

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Controller
Availability of funds is subject to the
enactment of the annual appropriation
ordinance.

RECOMMENDED:



Director of Property

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

June 15, 2016

TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst



SUBJECT: June 17, 2016 Budget and Finance Committee Meeting

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<p>Item 13 File 16-0652</p>	<p>Department: Real Estate Division</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p>	
<ul style="list-style-type: none"> • The proposed resolution authorizes a purchase and sale agreement between the City and the San Francisco Housing Authority (SFHA) for the City to purchase 440 Turk Street from SFHA for an amount of no more than \$5,000,000. 	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> • 440 Turk Street is residential/commercial property owned by SFHA. The property consists of two floors of office space and a residential tower above the office space. The proposed purchase would be for 29,609 square feet of office space, plus certain limited use for 11,932 square feet of parking and other space in the basement. The Mayor’s Office proposes the purchase of 440 Turk Street in order to house the new Department of Homelessness and Supportive Housing. • The City’s Real Estate Division will select an appraiser through a competitive process to determine the fair market value of 440 Turk Street. The price paid by the City to SFHA will not exceed the appraised value, and in any event, will not exceed \$5,000,000. 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> • Total estimated costs to purchase 440 Turk Street are \$9,000,000, which are General Fund costs. Of the \$9,000,000, \$5,000,000 is for the property purchase and \$4,000,000 is for tenant improvements. 	
<p style="text-align: center;">Policy Consideration</p>	
<ul style="list-style-type: none"> • According to Mr. John Updike, Director of Real Estate, purchase of the new office space at 440 Turk Street for the new Department of Homelessness and Supportive Housing is justified, even though 98 of the 109 positions are existing HSA and DPH positions, because HSA and DPH are overcrowded and require new space for both existing positions and new positions proposed in the FY 2016-17 budget. As an alternative to incurring \$9,000,000 in property purchase and tenant improvement costs that could otherwise be allocated to direct homeless services, such as navigation centers, the 98 existing City positions could remain in their current HSA and DPH locations; and the up to 11 new Department of Homelessness and Supportive Housing positions could locate to other City space or new leased space. 	
<p style="text-align: center;">Recommendations</p>	
<ul style="list-style-type: none"> • Amend the proposed resolution to require the Director of Property to provide the Clerk of the Board of Supervisors a copy of the executed Purchase and Sale Agreement, the results of the completed appraisal of the property within 5 days of execution, and notify the Board of Supervisors immediately upon the close of the escrow with the San Francisco Housing Authority. • Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors because the Board of Supervisors has not yet approved the creation of the new Department of Homelessness and Supportive Housing or the FY 2016-17 budget for the new Department. 	

MANDATE STATEMENT

Administrative Code Section 23.1 provides that acquisitions of real property are subject to Board of Supervisors approval.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution authorizes a purchase and sale agreement between the City and the San Francisco Housing Authority (SFHA) for the City to purchase 440 Turk Street from SFHA for an amount of no more than \$5,000,000.

440 Turk Street

440 Turk Street is residential/commercial property owned by SFHA. The property consists of two floors of office space and a residential tower above the office space. The proposed purchase would be for 29,609 square feet of office space, plus certain limited use to 11,932 square feet of parking and other space in the basement. The purchase would not include the residential tower, which is used by SFHA for affordable housing.

According to the proposed legislation, the City's Real Estate Division will select an appraiser through a competitive process to determine the fair market value of 440 Turk Street. The price paid by the City to SFHA will not exceed the appraised value, and in any event, will not exceed \$5 million.

Department of Homelessness and Supportive Housing

The Mayor's Office proposes the purchase of 440 Turk Street in order to house the new Department of Homelessness and Supportive Housing. The Mayor's proposed budget for the new department has 109 positions, of which 98 are existing positions in the Human Services Agency (HSA) and Department of Public Health (DPH), and 11 are proposed new positions.

According to Mr. John Updike, Director of Real Estate, purchase of the new office space at 440 Turk Street for the new Department of Homelessness and Supportive Housing is justified, even though 98 of the 109 positions are existing HSA and DPH positions, because HSA and DPH are overcrowded and require new space for both existing positions and new positions proposed in the FY 2016-17 budget. According to Mr. Updike, existing HSA and DPH space that will be vacated when the 98 positions relocate to 440 Turk Street will be backfilled by other HSA and DPH positions, including proposed new positions in the FY 2016-17 budget.

FISCAL IMPACT

The total estimated costs to the City to purchase 440 Turk Street from SFHA are \$9,000,000, as follows:

Property purchase (not-to-exceed amount)	\$5,000,000
Tenant improvements	
Generator and electrical upgrades	1,000,000
Heating, ventilation, air conditioning (HVAC)	1,000,000
Data switch gear room cooling	100,000
Interior wall reconfiguration	900,000
Carpet and paint	250,000
Furniture and telecommunications	<u>750,000</u>
Tenant improvements subtotal	4,000,000
Total	\$9,000,000

\$9,000,000 is included in the Mayor’s proposed FY 2016-17 budget for the new Department of Homelessness and Supportive Housing, subject to Board of Supervisors approval. The source of funds for the \$5,000,000 to pay for the purchase of 440 Turk Street comes from the sale of 50 1st Street, which the City will sell for \$22.6 million in 2016 (Files 16-0382 and 16-0387). The balance of \$4,000,000 for tenant improvements is General Fund.

POLICY CONSIDERATION

Administrative costs for the new Department of Homelessness and Supportive Housing

The Budget and Legislative Analyst considers approval of the purchase of 440 Turk Street to be a policy matter for the Board of Supervisors because the Board of Supervisors has not yet approved the creation of the new Department of Homelessness and Supportive Housing or the FY 2016-17 budget for the new Department.

According to Ms. Melissa Whitehouse, Mayor’s Budget Director, the purchase of 440 Turk Street for the new Department of Homelessness and Supportive Housing allows department staff to be collocated in one space so that they can function as one new department. According to Ms. Whitehouse, purchase of the property is cost-effective in the long term, because leasing space for the 109 positions in the new Department of Homelessness and Supportive Housing could cost up to \$1 million per year.

However, as noted above, 98 of the 109 positions in the new Department of Homelessness and Supportive Housing are existing City positions. The proposed increase in positions in FY 2016-17 is 11, not all of which may be approved by the Board of Supervisors. As an alternative to incurring \$9,000,000 in property purchase and tenant improvement costs that could otherwise be allocated to direct homeless services, such as navigation centers, the 98 existing City positions could remain in their current HSA and DPH locations; and the up to 11 new

Department of Homelessness and Supportive Housing positions could locate to other City space or new leased space.¹

Purchase and sale agreement for the proposed purchase of 440 Turk Street

The proposed resolution authorizes the Director of Real Estate to enter into a purchase and sale agreement with SFHA without further Board of Supervisors approval for the City to purchase 440 Turk Street for an amount not-to-exceed the appraised value of the property up to \$5 million. According to Mr. Updike, the proposed resolution authorizes the Director of Real Estate to finalize the purchase and sale agreement without further Board of Supervisors approval because (1) the U.S. Department of Housing and Urban Development will review and approve the sale prior to the City finalizing the purchase and sale agreement; and (2) the purchase and sale agreement must be finalized by the end of the federal fiscal year on October 1, 2016. The Budget and Legislative Analyst recommends revising the proposed resolution to require the Director of Real Estate to provide the Clerk of the Board of Supervisors a copy of the executed Purchase and Sale Agreement, the results of the completed appraisal of the property within 5 days of execution, and notify the Board of Supervisors immediately upon the close of the escrow with the San Francisco Housing Authority.

RECOMMENDATIONS

1. Amend the proposed resolution to require the Director of Property provide the Clerk of the Board of Supervisors a copy of the executed Purchase and Sale Agreement, the results of the completed appraisal of the property within 5 days of execution, and notify the Board of Supervisors immediately upon the close of the escrow with the San Francisco Housing Authority.
2. Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors because the Board of Supervisors has not yet approved the creation of the new Department of Homelessness and Supportive Housing or the FY 2016-17 budget for the new Department.

¹ According to Mr. Updike, the City currently has 2,500 square feet of available vacant space.

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

The Housing Authority of the City and County of San Francisco,
as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,
as Buyer

For the purchase and sale of

Two story office condominium rights located at 440 Turk Street
San Francisco, California

June 15, 2016

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EXHIBIT A – Real Property Description

EXHIBIT B – Personal Property Description

EXHIBIT C – Grant Deed

EXHIBIT D – Assignment of Warranties and Guaranties and Other Intangible Property

EXHIBIT E – Certificate of Transferor Other Than An Individual (FIRPTA Affidavit)

EXHIBIT F – Designation Agreement

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE
(A portion of Lot 005, Block 0336, San Francisco)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this "Agreement") dated for reference purposes only as of June 15, 2016 is by and between The Housing Authority of the City and County of San Francisco, a political subdivision of the State of California ("Seller"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Buyer" or "City").

IN CONSIDERATION of the foregoing, Seller and City agree as follows:

1. PURCHASE AND SALE

1.1 Property Included in Sale

Seller agrees to sell and convey to City, and City agrees to purchase from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately 29,609 square feet of office building on floors one and two of Lot 005, Block 0336, and a common area interest in certain other portions of said Lot 005, Block 0336 Property, located in the City and County of San Francisco, commonly known as 440 Turk Street and more particularly described in Exhibit A attached hereto (the "Property");

(b) all improvements and fixtures located on the Property, including, without limitation, all apparatus, equipment and appliances used in connection with the operation or occupancy of the Property and its improvements such as heating and air conditioning systems and facilities used to provide any utility, refrigeration, ventilation, garbage disposal or other services, and together with certain rights to on-site parking (currently, ___ parking spaces) (collectively, the "Improvements");

(c) any and all rights, privileges, and easements incidental or appurtenant to the Property or Improvements, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Property or Improvements.

All of the items referred to in Subsections (a), (b), and (c) above are collectively referred to as the "Property."

2. PURCHASE PRICE

2.1 Purchase Price

The total purchase price for the Property is FIVE MILLION AND NO 10/100 Dollars (\$5,000,000.00) (the "Purchase Price").

2.2 Payment

On the Closing Date (as defined in Section 6.2 [Closing Date]), City shall pay the Purchase Price, adjusted pursuant to the provisions of Article 7 [Expenses and Taxes], and reduced by any credits due City hereunder.

Seller acknowledges and agrees that if Seller fails at Closing to deliver to City the documents required under Sections 6.3(h) and 6.3(i) [Seller's Delivery of Documents], City may be required to withhold a portion of the Purchase Price pursuant to Section 1445 of the United

States Internal Revenue Code of 1986, as amended (the "Federal Tax Code"), or Section 18662 of the California Revenue and Taxation Code (the "State Tax Code"). Any amount properly so withheld by City shall be deemed to have been paid by City as part of the Purchase Price, and Seller's obligation to consummate the transaction contemplated herein shall not be excused or otherwise affected thereby.

2.3 Funds

All payments made by any party hereto shall be in legal tender of the United States of America, paid by Controller's warrant or in cash or by wire transfer of immediately available funds to Title Company (as defined below), as escrow agent.

3. TITLE TO THE PROPERTY

3.1 Conveyance of Title to the Property

At the Closing Seller shall convey to City, or its nominee, marketable and insurable fee simple title to the Property, and the Improvements, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit C (the "Deed"), subject to the Accepted Conditions of Title (as defined in Section 3.2 [Title Insurance]).

3.2 Title Insurance

Delivery of title in accordance with the preceding Section shall be evidenced by the commitment of Chicago Title Insurance Company (the "Title Company") to issue to City an ALTA extended coverage owner's policy of title insurance (Form B - 1970 amended 4-6-90) (the "Title Policy") in the amount of the Purchase Price, insuring fee simple title to the Property, the Appurtenances and the Improvements in City free of the liens of any and all deeds of trust, mortgages, assignments of rents, financing statements, creditors' claims, rights of tenants or other occupants, and all other exceptions, liens and encumbrances except solely for the Accepted Conditions of Title pursuant to Section 5.1(a) below. The Title Policy shall provide full coverage against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Property, and shall contain an affirmative endorsement that there are no violations of restrictive covenants, if any, affecting the Property such special endorsements as City may reasonably request. The Title Policy shall also provide for reinsurance with direct access with such companies and in such amounts as City may reasonably request.

4. BUYER'S DUE DILIGENCE INVESTIGATIONS

4.1 Due Diligence and Time for Satisfaction of Conditions

City has been given or will be given before the end of the Due Diligence Period (as defined below), a full opportunity to investigate the Property, either independently or through agents of City's own choosing, including, without limitation, the opportunity to conduct such appraisals, inspections, tests, audits, verifications, inventories, investigations and other due diligence regarding the economic, physical, environmental, title and legal conditions of the Property as City deems fit, as well as the suitability of the Property for City's intended uses. City and its Agents may commence due diligence investigations on the Property on or after the date this Agreement is executed by both parties hereto. The period for completion of all such investigations shall expire on September 1, 2016 (the "Due Diligence Period"), subject to the terms and conditions provided hereinbelow. Seller agrees to deliver to City all of the Documents and other items described in Sections 5.1(d), 5.1(e) and 5.1(f) within fifteen (15) days after the date hereof, provided that if Seller fails to do so, then the expiration of the Due Diligence Period

shall be extended by the number of days after the end of such 15-day delivery period that Seller delivers all such items to City.

4.2 Energy Consumption

City acknowledges and agrees that Seller delivered the Disclosure Summary Sheet, Statement of Energy Performance, Data Checklist, and Facility Summary (all as defined in the California Code of Regulations, Title 20, Division 2, Chapter 4, Article 9, Section 1680) for the Property, copies of which are attached as Schedule 1 to this Agreement, no less than 24 hours prior to City's execution of this Agreement.

5. ENTRY

During the Due Diligence Period and at all times prior to the Closing Date Seller shall afford City and its Agents reasonable access to the Property for the purposes of satisfying City with respect to the representations, warranties and covenants of Seller contained herein and the satisfaction of the Conditions Precedent including, without limitation, the drilling of test wells and the taking of soil borings. City hereby agrees to indemnify and hold Seller harmless from any damage or injury to persons or property caused by the active negligence or willful misconduct of City or its Agents during any such entries onto the Property prior to the Closing, except to the extent such damage or injury is caused by the acts or omissions of Seller or any of its Agents. The foregoing Indemnity shall not include any claims resulting from the discovery or disclosure of pre-existing environmental conditions or the non-negligent aggravation of pre-existing environmental conditions on, in, under or about the Property, including the Improvements. In the event this Agreement is terminated for any reason other than Seller's default hereunder, City shall restore the Property to substantially the condition it was found subject to applicable laws. This indemnity shall survive the termination of this Agreement or the Closing, as applicable, provided that Seller must give notice of any claim it may have against City under such indemnity (i) within six (6) months of such termination if the claim is brought by a third party against Seller or (ii) within three (3) months of such termination or the Closing Date, as applicable, if the claim involves damage to Seller's Property or any other claim not brought by a third party against the Seller.

5.1 City's Conditions to Closing

The following are conditions precedent to City's obligation to purchase the Property (collectively, "Conditions Precedent"):

(a) City shall have reviewed and approved title to the Property, as follows:

(i) Within fifteen (15) days after the date City and Seller execute this Agreement, Seller shall deliver to City a current extended coverage preliminary report on the Real Property, issued by Title Company, accompanied by copies of all documents referred to in the report (collectively, the "Preliminary Report");

(ii) Within the period referred to in clause (i) above, Seller shall deliver to Buyer copies of any existing or proposed easements, covenants, restrictions, agreements or other documents that affect the Property, and are not disclosed by the Preliminary Report, or, if Seller knows of no such documents, a written certification of Seller to that effect; and

(iii) City may at its option arrange for an "as-built" survey of the Real Property and Improvements prepared by a licensed surveyor (the "Survey"). Such survey shall

be acceptable to, and certified to, City and Title Company and in sufficient detail to provide the basis for and the Title Policy without boundary, encroachment or survey exceptions.

City shall advise Seller, prior to the end of the Due Diligence period, what exceptions to title, if any, City is willing to accept (the "Accepted Conditions of Title"). City's failure to so advise Seller within such period shall be deemed disapproval of title. Seller shall have ten (10) days after receipt of City's notice of any objections to title to give City: **(A)** evidence satisfactory to City of the removal of all objectionable exceptions from title or that such exceptions will be removed or cured on or before the Closing; or **(B)** notice that Seller elects not to cause such exceptions to be removed. If Seller gives notice under clause (B), City shall have ten (10) business days to elect to proceed with the purchase or terminate this Agreement. If City shall fail to give Seller notice of its election within such ten (10) days, City shall be deemed to have elected to terminate this Agreement. If Seller gives notice pursuant to clause (A) and fails to remove any such objectionable exceptions from title prior to the Closing Date, and City is unwilling to take title subject thereto, Seller shall be in default hereunder and City shall have the rights and remedies provided herein or at law or in equity.

(b) City's review and approval, within the Due Diligence Period, of the physical and environmental conditions of the Property, including, without limitation, structural, mechanical, electrical and other physical conditions of the Property. Such review may include an examination for the presence or absence of any Hazardous Material (as defined in Section 8.1(j))

bCity's review and approval, within the Due Diligence Period, of the compliance of the Property with all applicable laws, regulations, permits and approvals.

(c) City's review and approval, within the Due Diligence Period, of **(i)** the following documents, all to the extent such documents exist and are either in the possession or control of Seller or may be obtained by Seller through the exercise of commercially reasonable efforts: structural calculations for the Improvements; site plans; certified copies of the as-built plans and specifications for the Improvements; recent inspection reports by Seller's engineers; service contracts; utility contracts; maintenance contracts; employment contracts, management contracts; brokerage and leasing commission agreements which may continue after Closing; certificates of occupancy; presently effective warranties or guaranties received by Seller from any contractors, subcontractors, suppliers or materialmen in connection with any construction, repair or alteration of the Improvements or any tenant improvements; insurance policies, insurance certificates of tenants, and reports of insurance carriers insuring the Property and each portion thereof respecting the claims history of the Property; environmental reports, studies, surveys, tests and assessments; soils and geotechnical reports; and any other contracts or documents of significance to the Property (collectively, the "Documents"); and **(ii)** such other information relating to the Property that is specifically requested by City of Seller in writing during the Due Diligence Period (collectively, the "Other Information").

(d) Seller shall not be in default in the performance of any covenant or agreement to be performed by Seller under this Agreement, and all of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date. At the Closing Seller shall deliver to City a certificate certifying that each of Seller's representations and warranties contained in Section 8.1 [Representations and Warranties of Seller] below are true and correct as of the Closing Date.

(e) The physical condition of the Property shall be substantially the same on the Closing Date as on the date of City's execution of this Agreement, reasonable wear and tear and loss by casualty excepted (subject to the provisions of Section 9.1 [Risk of Loss]), and, as of

the Closing Date, there shall be no litigation or administrative agency or other governmental proceeding, pending or threatened, which after the Closing would materially adversely affect the value of the Property or the ability of City to operate the Property for its intended use, and no proceedings shall be pending or threatened which could or would cause the change, redesignation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any of the Property.

(f) Title Company shall be committed at the Closing to issue to City, or its nominee, (i) the Title Policy as provided in Section 3.2 [Title Insurance

(g) The City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution approving, adopting and authorizing this Agreement and the transactions, on or before July 30, 2016.

(h) Seller shall have delivered the items described in Section 6.3 below [Seller's Delivery of Documents] on or before the Closing.

The Conditions Precedent contained in the foregoing Subsections (a) through (h) are solely for the benefit of City. If any Condition Precedent is not satisfied, City shall have the right in its sole discretion either to waive in writing the Condition Precedent in question and proceed with the purchase or, in the alternative, terminate this Agreement, provided that the Conditions Precedent described in items g and h above may not be waived. The waiver of any Condition Precedent shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller. If City shall not have approved or waived in writing all of the Conditions Precedent in items a through h by the end of the Due Diligence Period, then this Agreement shall automatically terminate. In addition, the Closing Date may be extended, at City's option, for a reasonable period of time specified by City, to allow such Conditions Precedent to be satisfied, subject to City's further right to terminate this Agreement upon the expiration of the period of any such extension if all such Conditions Precedent have not been satisfied.

In the event the sale of the Property is not consummated because of a default under this Agreement on the part of Seller or if a Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or negligent omission, City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller shall pay to City any title, escrow, legal and inspection fees incurred by City and any other expenses incurred by City in connection with the performance of its due diligence review of the Property, and neither party shall have any further rights or obligations hereunder, or (2) continue this Agreement pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred hereunder.

5.2 Cooperation with City

Seller shall cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any Conditions Precedent including, without limitation, execution of any documents, applications or permits, but Seller's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any Condition Precedent. Seller hereby irrevocably authorizes City and its Agents to make all inquiries with and applications to any person or entity, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

6. ESCROW AND CLOSING

6.1 Opening of Escrow

On or before the Effective Date (as defined in Article 11 [General Provisions]), the parties shall open escrow by depositing an executed counterpart of this Agreement with Title Company, and this Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. Seller and City agree to execute such additional or supplementary instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

6.2 Closing Date

The consummation of the purchase and sale contemplated hereby (the "Closing") shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Title Company located at 455 Market Street, 21st floor (suite 2100), San Francisco, California 94105, on September 15, 2016, or on such earlier date as City and Seller may mutually agree (the "Closing Date"), subject to the provisions of Article 5 [Conditions Precedent]. The Closing Date may not be extended without the prior written approval of both Seller and City, except as otherwise expressly provided in this Agreement. In the event the Closing does not occur on or before the Closing Date, Title Company shall, unless it is notified by both parties to the contrary within five (5) days after the Closing Date, return to the depositor thereof items which may have been deposited hereunder. Any such return shall not, however, limit the provisions hereof or otherwise relieve either party hereto of any liability it may have for its wrongful failure to close.

6.3 Seller's Delivery of Documents

At or before the Closing, Seller shall deliver to City [, or the Nominee,] through escrow, the following:

- (a) a duly executed and acknowledged Deed;
- (b) originals of the Documents and any other items relating to the ownership or operation of the Property not previously delivered to City;
- (c) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit H, and on which City is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code;
- (d) a properly executed California Franchise Tax Board Form 590 certifying that Seller is a California resident if Seller is an individual or Seller has a permanent place of business in California or is qualified to do business in California if Seller is a corporation or other evidence satisfactory to City that Seller is exempt from the withholding requirements of Section 18662 of the State Tax Code;
- (e) such resolutions, authorizations, or other partnership documents or agreements relating to Seller and its partners as City or the Title Company may reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated hereby, and such proof of the power and authority of the individuals executing any documents or other instruments on behalf of Seller to act for and bind Seller;

- (f) closing statement in form and content satisfactory to City and Seller; and
- (g) the duly executed certificate regarding the continued accuracy of Seller's representations and warranties as required by Section 5.1() hereof.

6.4 City's Delivery of Documents and Funds

At or before the Closing, City shall deliver to Seller through escrow the following:

- (a) an acceptance of the Deed executed by City's Director of Property;
 - (b) a closing statement in form and content satisfactory to City and Seller;
- and
- (c) the Purchase Price, as provided in Article 2 hereof].

6.5 Other Documents

Seller and City shall each deposit such other instruments as are reasonably required by Title Company as escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof, including, without limitation, an agreement (the "Designation Agreement") designating Title Company as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder, and executed by Seller, City and Title Company. The Designation Agreement shall be substantially in the form attached hereto as Exhibit I and, in any event, shall comply with the requirements of Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder.

7. EXPENSES AND TAXES

7.1 Apportionments

The following are to be apportioned through escrow as of the Closing Date:

- (a) **Utility Charges**

Seller shall cause all the utility meters to be read on the Closing Date, and will be responsible for the cost of all utilities used prior to the Closing Date. All utility deposits paid by Seller shall remain the property of Seller and City shall reasonably cooperate to cause such deposits to be returned to Seller to the extent Seller is entitled thereto.

- (b) **Other Apportionments**

Amounts payable under any contracts assumed pursuant hereto, annual or periodic permit or inspection fees (calculated on the basis of the period covered), and liability for other normal Property operation and maintenance expenses and other recurring costs shall be apportioned as of the Closing Date.

7.2 Closing Costs

City shall pay the cost of the Survey, the premium for the Title Policy and the cost of the endorsements thereto, and escrow and recording fees. Seller shall pay the cost of any transfer taxes applicable to the sale. Seller shall be responsible for all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property

including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section or elsewhere in this Agreement shall be allocated in accordance with the closing customs for San Francisco County, as determined by Title Company.

7.3 Real Estate Taxes and Special Assessments

General real estate taxes payable for the tax year prior to year of Closing and all prior years shall be paid by Seller at or before the Closing. General real estate taxes payable for the tax year of the Closing shall be prorated through escrow by Seller and City as of the Closing Date. At or before the Closing, Seller shall pay the full amount of any special assessments against the Property, including, without limitation, interest payable thereon, applicable to the period prior the Closing Date.

7.4 Post-Closing Reconciliation

If any of the foregoing prorations cannot be calculated accurately on the Closing Date, then they shall be calculated as soon after the Closing Date as feasible. Either party owing the other party a sum of money based on such subsequent prorations shall promptly pay such sum to the other party.

7.5 Survival

The provisions of this Section shall survive the Closing.

8. REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Seller

Seller represents and warrants to and covenants with City as follows:

(a) To the best of Seller's knowledge, there are now, and at the time of the Closing will be, no material physical or mechanical defects of the Property, and no violations of any laws, rules or regulations applicable to the Property, including, without limitation, any earthquake, life safety and handicap laws (including, but not limited to, the Americans with Disabilities Act).

(b) The Documents and Other Information furnished to City are all of the relevant documents and information pertaining to the condition and operation of the Property to the extent available to Seller, and are and at the time of Closing will be true, correct and complete copies of such documents.

(c) No document or instrument furnished or to be furnished by the Seller to the City in connection with this Agreement contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

(d) Seller does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than City, which could detrimentally affect the use, operation or value of the Property.

(e) To Seller's knowledge, all water, sewer, gas, electric, telephone, and drainage facilities and all other utilities required by law or by the normal use and operation of the

Property are and at the time of Closing will be installed to the property lines of the Property and are and at the time of Closing will be adequate to service the Property.

(f) There are no easements or rights of way which have been acquired by prescription or which are otherwise not of record with respect to the Property, and there are no easements, rights of way, permits, licenses or other forms of agreement which afford third parties the right to traverse any portion of the Property to gain access to other real property. There are no disputes with regard to the location of any fence or other monument of the Property's boundary nor any claims or actions involving the location of any fence or boundary.

(g) There is no litigation pending or, after due and diligent inquiry, to the best of Seller's knowledge, threatened, against Seller or any basis therefor that arises out of the ownership of the Property or that might detrimentally affect the use or operation of the Property for its intended purpose or the value of the Property or the ability of Seller to perform its obligations under this Agreement.

(h) Seller is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, Seller has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Property.

(i) Seller is a political subdivision of the State, duly organized and validly existing under the laws of the State of California and is in good standing under the laws of the State of California; this Agreement and all documents executed by Seller which are to be delivered to City at the Closing are, or at the Closing will be, duly authorized, executed and delivered by Seller, are, or at the Closing will be, legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

(j) Seller represents and warrants to City that it has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state or local governmental agency. In the event Seller has been so suspended, disbarred, disciplined or prohibited from contracting with any governmental agency, it shall immediately notify the City of same and the reasons therefore together with any relevant facts or information requested by City. Any such suspension, debarment, discipline or prohibition may result in the termination or suspension of this Agreement.

(k) Seller knows of no facts nor has Seller failed to disclose any fact that would prevent City from using and operating the Property after Closing in the normal manner in which it is intended.

(l) Seller hereby represents and warrants to and covenants with City that the following statements are true and correct and will be true and correct as of the Closing Date: (i) neither the Property nor to the best of Seller's knowledge any real estate in the vicinity of the Property is in violation of any Environmental Laws; (ii) the Property is not now, nor to the best of Seller's knowledge has it ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material, except as described in Schedule 1 ("Seller's Environmental Disclosure"); (iii) there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the Property; (iv) there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the Property, or if there have been or are any such tanks or wells located on the Property, their

location, type, age and content has been specifically identified in Seller's Environmental Disclosure, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release or threatened release of any Hazardous Material into the environment; (v) the Property does not consist of any landfill or of any building materials that contain Hazardous Material; and (vi) the Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material, and there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the Property, or the migration of Hazardous Material from or to other property. As used herein, the following terms shall have the meanings below:

(i) "Environmental Laws" shall mean any present or future federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including, without limitation, their use, handling, transportation, production, disposal, discharge or storage) or to health and safety, industrial hygiene or environmental conditions in, on, under or about the Property, including, without limitation, soil, air and groundwater conditions.

(ii) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of the Improvements or are naturally occurring substances on or about the Property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

(iii) "Release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any of the improvements, or in, on, under or about the Property. Release shall include, without limitation, "release" as defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601).

(m) At the time of Closing there will be no outstanding written or oral contracts made by Seller for any of the Improvements that have not been fully paid for and Seller shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to the Property prior to the time of Closing. There are no obligations in connection with the Property which will be binding upon City after Closing except for matters which are set forth in the Preliminary Report.

(n) Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code.

8.2 Indemnity

Seller, on behalf of itself and its successors and assigns, hereby agrees to indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and

against any and all liabilities, claims, demands, damages, liens, costs, penalties, losses and expenses, including, without limitation, reasonable attorneys' and consultants' fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by Seller in this Agreement or in any document, certificate, or exhibit given or delivered to City pursuant to or in connection with this Agreement. The foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. The indemnification provisions of this Section shall survive beyond the Closing, or, if title is not transferred pursuant to this Agreement, beyond any termination of this Agreement.

9. RISK OF LOSS AND POSSESSION

9.1 Risk of Loss

If any of the Property is damaged or destroyed prior to the Closing Date, or if condemnation proceedings are commenced against any of the Property, then the rights and obligations of Seller and City hereunder shall be as follows:

(a) If such damage or destruction is fully covered by Seller's insurance except for the deductible amount thereunder, and the insurer agrees to timely pay for the entire cost of such repair, and such damage or destruction would cost less than Two Million Dollars (\$2,000,000.00) (the "Threshold Damage Amount") to repair or restore, then this Agreement shall remain in full force and effect and City shall acquire the Property upon the terms and conditions set forth herein. In such event, City shall receive a credit against the Purchase Price equal to such deductible amount, and Seller shall assign to City at Closing all of Seller's right, title and interest in and to all proceeds of insurance on account of such damage or destruction pursuant to an instrument satisfactory to City.

(b) If such damage or destruction is not fully covered by Seller's insurance, other than the deductible amount, and would cost less than the Threshold Damage Amount to repair or restore, then the transaction contemplated by this Agreement shall be consummated with City receiving a credit against the Purchase Price at the Closing in an amount reasonably determined by Seller and City (after consultation with unaffiliated experts) to be the cost of repairing such damage or destruction.

(c) If the cost of such damage or destruction would equal or exceed the Threshold Damage Amount, or if condemnation proceedings are commenced against any of the Property, then, City shall have the right, at its election, either to terminate this Agreement in its entirety, or only as to that portion of the Property damaged or destroyed or subject to condemnation proceedings (in which case there shall be an equitable adjustment to the Purchase Price), or to not terminate this Agreement and purchase the Property (or the portion not damaged or affected by condemnation, as the case may be). City shall have thirty (30) days after Seller notifies City that an event described in this Subsection (c) has occurred to make such election by delivery to Seller of an election notice. City's failure to deliver such notice within such thirty (30)-day period shall be deemed City's election to terminate this Agreement in its entirety. If this Agreement is terminated in its entirety or in part pursuant to this Subsection (c) by City's delivery of notice of termination to Seller, then City and Seller shall each be released from all obligations hereunder pertaining to that portion of the Property affected by such termination. If City elects not to terminate this Agreement, Seller shall notify City of Seller's intention to repair such damage or destruction, in which case this Agreement shall remain in full force and effect, or notify City of Seller's intention to give City a credit against the Purchase Price at the Closing in the amount reasonably determined by City and Seller (after consultation with unaffiliated experts) to be the cost of repairing such damage or destruction and, in the event of a result of

such condemnation proceeding, the value of any Property taken as a result of such proceeding, in which case this Agreement shall otherwise remain in full force and effect, and Seller shall be entitled to any proceeds of insurance or condemnation awards. Any repairs elected to be made by Seller pursuant to this Subsection shall be made within one hundred eighty (180) days following such damage or destruction and the Closing shall be extended until the repairs are substantially completed. As used in this Section, the cost to repair or restore shall include the cost of lost rental revenue, including additional rent and base rent.

9.2 Insurance

Through the Closing Date, Seller shall maintain or cause to be maintained, at Seller's sole cost and expense, a policy or policies of property insurance in amounts equal to the full replacement value of the Improvements [and the Personal Property], insuring against all insurable risks, including, without limitation, fire, vandalism, malicious mischief, lightning, windstorm, water, [earthquake, flood] and other perils customarily covered by casualty insurance and the costs of demolition and debris removal. Seller shall furnish City with evidence of such insurance upon request by City.

9.3 Possession

Possession of the Property shall be delivered to City on the Closing Date.

10. MAINTENANCE; CONSENT TO NEW CONTRACTS

10.1 Maintenance of the Property by Seller

Between the date of Seller's execution of this Agreement and the Closing, Seller shall maintain the Property in good order, condition and repair, reasonable wear and tear excepted and shall make all repairs, maintenance and replacements of the Improvements and otherwise operate the Property in the same manner as before the making of this Agreement, as if Seller were retaining the Property.

10.2 City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts

After the Effective Date of this Agreement, Seller shall not enter into any Lease or contract, or any amendment thereof, or permit any tenant of the Property to enter into any sublease, assignment or agreement pertaining to the Property, without in each instance obtaining City's prior written consent thereto. City agrees that it shall not unreasonably withhold or delay any such consent. Seller shall terminate prior to the Closing, at no cost or expense to City, any and all management agreements affecting the Property that City does not agree in writing prior to the Closing to assume.

11. GENERAL PROVISIONS

11.1 Notices

Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, against receipt, (ii) one (1) day after being deposited with a reliable overnight courier service, or (iii) two (2) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

City:

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property
Re: 440 Turk
Facsimile No.: (415) 552-9216

with copy to:

Deputy City Attorney
Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682
Re: 440 Turk
Facsimile No.: (415) _____

Seller:

Housing Authority of San Francisco
1815 Egbert Avenue

Attn: Alicia Sisca

San Francisco, CA 94124

Facsimile No.: (415) 715-3201

or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above. For convenience of the parties, copies of notices may also be given by telefacsimile, to the telephone number listed above, or such other numbers as may be provided from time to time. However, neither party may give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a telefacsimile copy of the notice.

11.2 Brokers and Finders

Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section shall survive the Closing.

11.3 Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

11.4 Amendments

Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by City and Seller.

11.5 Continuation and Survival of Representations and Warranties

All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and shall remain, true and correct as of the Closing, shall be deemed to be material, and, together with all conditions, covenants and indemnities made by the respective parties contained herein or made in writing pursuant to this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement), shall survive the execution and delivery of this Agreement and the Closing, or, to the extent the context requires, beyond any termination of this Agreement. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Seller in conjunction with the transaction contemplated hereby shall constitute representations and warranties hereunder.

11.6 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

11.7 Merger of Prior Agreements

The parties intend that this Agreement (including all of the attached exhibits and schedules, which are incorporated into this Agreement by reference) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

11.8 Parties and Their Agents; Approvals

The term "Seller" as used herein shall include the plural as well as the singular. If there is more than one (1) Seller, then the obligations under this Agreement imposed on Seller shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through City's Director of Property unless otherwise provided herein, subject to applicable law.

11.9 Interpretation of Agreement

The article, section and other headings of this Agreement and the table of contents are for convenience of reference only and shall not affect the meaning or interpretation of any provision contained herein. Whenever the context so requires, the use of the singular shall be deemed to include the plural and vice versa, and each gender reference shall be deemed to include the other and the neuter. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is

waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

11.10 Attorneys' Fees

In the event that either party hereto fails to perform any of its obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay the prevailing party reasonable attorneys' and experts' fees and costs, and all court costs and other costs of action incurred by the prevailing party in connection with the prosecution or defense of such action and enforcing or establishing its rights hereunder (whether or not such action is prosecuted to a judgment). For purposes of this Agreement, reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. The term "attorneys' fees" shall also include, without limitation, all such fees incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees were incurred. The term "costs" shall mean the costs and expenses of counsel to the parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, and others not admitted to the bar but performing services under the supervision of an attorney.

11.11 Sunshine Ordinance

Seller understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov. Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder public records subject to public disclosure. Seller hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

11.12 Conflicts of Interest

Through its execution of this Agreement, Seller acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller shall immediately notify the City.

11.13 Notification of Limitations on Contributions

Through its execution of this Agreement, Seller acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any Property or building to or from the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the

date the contract is approved. Seller acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Seller further acknowledges that the prohibition on contributions applies to each Seller; each member of Seller's board of directors, and Seller's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Seller; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Seller. Additionally, Seller acknowledges that Seller must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Seller further agrees to provide to City the names of each person, entity or committee described above.

11.14 Non-Liability of City Officials, Employees and Agents

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Seller, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Seller, its successors and assigns, or for any obligation of City under this Agreement.

11.15 Counterparts

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

11.16 Effective Date

As used herein, the term "Effective Date" shall mean the date on which the City's Board of Supervisors and Mayor enact a resolution approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

11.17 Severability

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

11.18 Acceptance of Agreement by Seller

This Agreement shall be null and void unless Seller accepts it and returns to City four (4) fully executed counterparts hereof on or before 5:00 p.m. San Francisco Time on July 30, 2016.

11.19 Cooperative Drafting.

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE LEGISLATION OF CITY'S BOARD OF SUPERVISORS SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION, AND THIS AGREEMENT SHALL BE NULL AND VOID IF CITY'S BOARD OF SUPERVISORS AND MAYOR DO NOT APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

[SIGNATURES ON FOLLOWING PAGES]

The parties have duly executed this Agreement as of the respective dates written below.

SELLER:

The Housing Authority of the City and County of San Francisco,

a _____

By: _____

Its: _____

By: _____

Its: _____

Date: _____

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____

JOHN UPDIKE
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____

[NAME OF DEPUTY]
Deputy City Attorney

Title Company agrees to act as escrow holder in accordance with the terms of this Agreement and to execute the Designation Agreement (attached hereto as Exhibit J) and act as the Reporting Person (as such term is defined in the Designation Agreement). Title Company's failure to execute below shall not invalidate the Agreement between City and Seller.

TITLE COMPANY:

CHICAGO TITLE INSURANCE COMPANY

By: _____

Its: _____

Date: _____

EXHIBIT A

REAL PROPERTY DESCRIPTION

All that certain real property located in the County of San Francisco, State of California, described as follows:

[LEGAL DESCRIPTION TO COME FROM PRELIMINARY REPORT]

EXHIBIT B

PERSONAL PROPERTY DESCRIPTION

[TO COME FROM SELLER]

EXHIBIT C
GRANT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102

The undersigned hereby declares this instrument to be
exempt from Recording Fees (CA Govt. Code § 27383)
and Documentary Transfer Tax (CA Rev. & Tax Code
§ 11922 and S.F. Bus. & Tax Reg. Code § 1105)

(Space above this line reserved for Recorder's use only)

GRANT DEED

(Assessor's Parcel No. Block 0336, Lot 005)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, The Housing Authority of the City and County of San Francisco, a political subdivision of the State of California, hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the real property located in the City and County of San Francisco, State of California, described on Exhibit A attached hereto and made a part hereof (the "Property").

TOGETHER WITH any and all rights, privileges and easements incidental or appurtenant to the Property.

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 20__.

_____, a _____

NAME

By: _____

Its: _____

NAME

By: _____

Its: _____

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the foregoing Grant Deed to the City and County of San Francisco, a municipal corporation, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____

By: _____

John Updike
Director of Property

EXHIBIT D

**ASSIGNMENT OF
WARRANTIES AND GUARANTIES
AND OTHER INTANGIBLE PROPERTY**

THIS ASSIGNMENT is made and entered into as of this ____ day of _____, 20____, by and between _____, a _____ ("Assignor"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Assignee").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Effective Date (as defined below), Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under:

A. all warranties and guaranties made by or received from any third party with respect to any building, building component, structure, system, fixture, machinery, equipment, or material situated on, contained in any building or other improvement situated on, or comprising a part of any building or other improvement situated on, any part of that certain real property described in Exhibit A attached hereto including, without limitation, those warranties and guaranties listed in Schedule 1 attached hereto (collectively, "Warranties");

B. any other Intangible Property (as defined in that certain Agreement of Purchase and Sale of Real Estate dated as of _____, 20____, between Assignor and Assignee (or Assignee's predecessor in interest) (the "Purchase Agreement").

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

1. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating prior to the Effective Date (as defined below) and arising out of the owner's obligations under the Service Contracts.

2. Except as otherwise set forth in the Purchase Agreement, effective as of the Effective Date (as defined below), Assignee hereby assumes all of the owner's obligations under the Service Contracts and agrees to indemnify Assignor against and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating on or subsequent to the Effective Date (as defined below) and arising out of the owner's obligations under the Service Contracts.

3. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, attorneys' fees.

4. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

5. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

6. For purposes of this Assignment, the "Effective Date" shall be the date of the Closing (as defined in the Purchase Agreement).

7. This Assignment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first written above.

ASSIGNOR:

a _____

By: _____
[NAME]

Its: _____

By: _____
[NAME]

Its: _____

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
[DEPUTY'S NAME]
Deputy City Attorney

EXHIBIT E

**CERTIFICATE OF TRANSFEROR
OTHER THAN AN INDIVIDUAL
(FIRPTA Affidavit)**

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the transferee of certain real property located in the City and County of San Francisco, California, that withholding of tax is not required upon the disposition of such U.S. real property interest by _____

_____, a _____ ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor's U.S. employer identification number is _____; and
3. Transferor's office address is _____

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated: _____, 20__.

On behalf of:

[NAME]

a _____

By: _____
[NAME]

Its: _____

EXHIBIT F

DESIGNATION AGREEMENT

This DESIGNATION AGREEMENT (the "Agreement") dated as of _____, 20___, is by and between _____, a _____ ("Seller"), the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), and _____ TITLE INSURANCE COMPANY ("Title Company").

A. Pursuant to that certain Purchase Agreement entered into by and between Seller and City, dated _____, 20___ (the "Purchase Agreement"), Seller has agreed to sell to City, and City has agreed to purchase from Seller, certain real property located in City and County of San Francisco, California, more particularly described in Exhibit A attached hereto (the "Property"). The purchase and sale of the Property is sometimes hereinbelow referred to below as the "Transaction").

B. Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the "Reporting Requirements") require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction.

C. Pursuant to Subsection 2(b)(i) of the Purchase Agreement, an escrow has been opened with Title Company, Escrow No. _____, through which the Transaction will be or is being accomplished. Title Company is either (i) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (ii) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements).

D. Seller, City and Title Company desire to designate Title Company as the "Reporting Person" (as defined in the "Reporting Requirements") with respect to the Transactions.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller, City and Title Company agree as follows:

1. Title Company is hereby designated as the Reporting Person for the Transaction. Title Company shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

2. Seller and City shall furnish to Title Company, in a timely manner, any information requested by Title Company and necessary for Title Company to perform its duties as Reporting Person for the transaction.

3. Title Company hereby requests Seller to furnish to Title Company Seller's correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Title Company with Seller's correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by law. Accordingly, Seller hereby certifies to Title Company, under penalties of perjury, that Seller's correct taxpayer identification number is _____.

4. The names and addresses of the parties hereto are as follows:

SELLER:

Attn: _____
Facsimile No.: () _____

CITY:

Director of Property
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Facsimile No.: (415) 552-9216

TITLE COMPANY:

Attn: _____
Facsimile No.: () _____

5. Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which the date of closing of the Transaction occurs.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date and year first above written.

SELLER:

Attn: _____
Facsimile No.: () _____

By: _____

Its: _____

Date: _____

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

Date: _____

Title Company:

_____ TITLE INSURANCE
COMPANY

Date: _____

By: _____

Its: _____

SCHEDULE 1

ENERGY DISCLOSURE DOCUMENTS



SAN FRANCISCO PLANNING DEPARTMENT

General Plan Referral

Date: June 16, 2016

Case 2016-007737GPR
Acquisition of 440 Turk Street

Block/Lot No.: 0336/032

Project Sponsor: Marta Bayol – (415) 554-9860
marta.bayol@sfgov.org
City and County of San Francisco
Real Estate Division
25 Van Ness Ave., Suite 400
San Francisco, CA 94103

Staff Contact: Jeremy Shaw – (415) 575-9135
jeremy.shaw@sfgov.org

Recommendation: Finding the proposed acquisition of 440 Turk Street,
on balance, in conformity with the General Plan.

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Recommended
By:  John Rahaim, Director of Planning

PROJECT DESCRIPTION

The City and County of San Francisco's Real Estate Division is proposing to purchase the property at 440 Turk Street (the "Project") for the offices of the Department of Homelessness. The project site is Parcel C, 25,854 square feet, on a 3-parcel site that also includes 89 housing units owned by the San Francisco Housing Authority. This GPR concerns only the office space in Parcel C.

ENVIRONMENTAL REVIEW

Not defined as a project under CEQA Guidelines Sections 15060(c) and 15378 because it does not result in a physical change in the environment.

GENERAL PLAN COMPLIANCE AND BASIS FOR RECOMMENDATION

As described below, the proposed acquisition of 440 Turk Street is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the Objectives and Policies of the General Plan.

GENERAL PLAN REFERRAL

Note: General Plan Objectives are shown in **BOLD UPPER CASE** font; Policies are in **Bold** font; staff comments are in *italic* font.

HOUSING ELEMENT

OBJECTIVE 6: REDUCE HOMELESSNESS AND THE RISK OF HOMELESSNESS

POLICY 6.1

Prioritize permanent housing and service-enriched solutions while pursuing both short- and long-term strategies to eliminate homelessness.

Establishment of the Department of Homelessness at 440 Turk will support service-enriched solutions and the pursuit of short- and long-term strategies to eliminate homelessness.

POLICY 6.2

Prioritize the highest incidences of homelessness, as well as those most in need, including families and immigrants.

Establishment of the Department of Homelessness at 440 Turk will enable City staff to prioritize the highest incidences of homelessness.

POLICY 6.4

Improve coordination among emergency assistance efforts, existing shelter programs, and health care outreach services.

Establishment of the Department of Homelessness at 440 Turk will enable more efficient coordination among City staff working in the Civic Center area, nearby shelter programs and nearby outreach services.

CIVIC CENTER AREA PLAN

OBJECTIVE 2: DEVELOP THE CIVIC CENTER AS A COHESIVE AREA FOR THE ADMINISTRATIVE FUNCTIONS OF CITY, STATE AND FEDERAL GOVERNMENT, AND AS A FOCAL POINT FOR CULTURAL, CEREMONIAL, AND COMMUNITY ACTIVITIES.

POLICY 2.1

Design the Civic Center to promote efficiency and convenience within and between the governmental entities represented, and provide for their orderly expansion.

POLICY 2.4

Encourage administrative-oriented governmental functions (executive, legislative, and judicial) to locate in new consolidated facilities rather than being dispersed throughout the adjacent area in leased or rented quarters.

Locating Department of Homelessness offices in a City-owned facility and adjacent to a number of City services in the Civic Center area increases overall convenience and efficiency between City services and functions.

PROPOSITION M FINDINGS – PLANNING CODE SECTION 101.1

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project, demolition and replacement of the Chinese Recreation Center, is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

Eight Priority Policies Findings

The subject project is found to be consistent with the Eight Priority Policies of 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 Project would have no adverse effect on neighborhood serving retail uses or opportunities for employment in or ownership of such businesses.
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.
The Project would have no adverse impact on housing and neighborhood character; services in the Project would support the cultural and economic diversity in the neighborhood.
3. That the City's supply of affordable housing be preserved and enhanced.
The Project would have no adverse impact on the City's supply of affordable housing.
4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.
The Project would not result in commuter traffic impeding MUNI's transit service, overburdening the streets or altering current neighborhood 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 Project would not adversely affect the City's economic base or future opportunities for employment and/or ownership.
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.
The Project would not adversely affect achieving the greatest possible preparedness against injury and loss of life in an earthquake.
7. That landmarks and historic buildings be preserved.
This Project would not adversely affect any landmarks or buildings of historic significance.
8. That our parks and open space and their access to sunlight and vistas be protected from development.
The Project would not adversely affect any parks or open space.

RECOMMENDATION:

Finding the acquisition of 440 Turk Street, on balance, in-conformity with the General Plan

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Edwin M. Lee *ML*
RE: Real Property Purchase – 440 Turk Street – San Francisco Housing
Authority – Not to Exceed \$5,000,000
DATE: May 31, 2016

Attached for introduction to the Board of Supervisors is a resolution authorizing the execution and acceptance of a Purchase and Sale Agreement by and between the City and the Housing Authority of the City and County of San Francisco ("Seller"), for the real property located at 440 Turk Street (Block 0336, Lot 005) for no greater than \$5,000,000; and finding the proposed transaction is in conformance with the City's General Plan, and the eight priority policies of Planning Code, Section 101.1.

I respectfully request that this item be calendared in Budget & Finance Committee on June 17, 2016.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2016 MAY 31 PM 1:36
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