#### BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
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#### **MEMORANDUM**

Date:

February 7, 2017

To:

Mohammed Nuru, Director, Public Works

From:

Angela Calvillo, Clerk of the Board, Board of Supervisors

Subject:

San Francisco Public Utilities Commission Public Service Easement

Vacation Order - Parkmerced Development Project (File No. 161240)

On January 24, 2017, the Board of Supervisors finally passed Ordinance No. 012-17, sponsored by Supervisor Norman Yee (File No. 161240, San Francisco Public Utilities Commission Public Service Easement Vacation Order - Parkmerced Development Project), and approved by Mayor Edwin Lee on February 3, 2017.

A certified copy of Ordinance No. 012-17 is being forwarded to you, as directed by the Board in Section 5 of the Ordinance.

Please note, another certified copy of the Ordinance has been sent to the Office of the Assessor-Recorder for recordation, pursuant to California Streets and Highways Code, Section 8325.

If you have any questions or concerns, please contact Alisa Somera, Legislative Deputy Director, at (415) 554-7711 or by email at: <u>alisa.somera@sfgov.org</u>.

c: Supervisor Norman Yee, Board of Supervisors Frank Lee, Public Works



# City and County of San Francisco Certified Copy

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

### Ordinance

161240 [San Francisco Public Utilities Commission Public Service Easement Vacation Order - Parkmerced Development Project]

Sponsor: Yee

Ordinance 1) ordering the conditional vacation of certain San Francisco Public Utilities Commission (SFPUC) public service easements that exist within Subphases 1A and 1B of the Parkmerced Development Project area, an approximately 152 acre site located in the Lake Merced District in the southwest corner of San Francisco and generally bounded by Vidal Drive, Font Boulevard, Pinto Avenue, and Serrano Drive to the north, 19th Avenue and Junipero Serra Boulevard to the east, Brotherhood Way to the south, and Lake Merced Boulevard to the west; 2) reserving easement rights in favor of the SFPUC, subject to conditions specified in this Ordinance; 3) delegating authority to the Director of Real Estate to execute certain quit claim deeds; 4) adopting findings under the California Environmental Quality Act; 5) adopting findings that the vacations are consistent with the Parkmerced Development Agreement, the General Plan, and the eight priority policies of Planning Code, Section 101.1; 6) directing the Clerk of the Board of Supervisors to make certain transmittals; and 7) authorizing actions by City officials in furtherance of this Ordinance.

1/10/2017 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Tang, Yee and Sheehy

1/24/2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

2/3/2017 Mayor - APPROVED

#### STATE OF CALIFORNIA CITY AND COUNTY OF SAN FRANCISCO

#### CLERK'S CERTIFICATE

I do hereby certify that the foregoing Ordinance is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the offical seal of the City and County of San Francisco.

February 06, 2017

Date

Angela Calvillo

Clerk of the Board

[San Francisco Public Utilities Commission Public Service Easement Vacation Order -Parkmerced Development Project]

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Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

NOTE:

- (a) On February 10, 2011, at a duly noticed public hearing, the Planning Commission certified the Final Environmental Impact Report ("Final EIR") for the Parkmerced Mixed-Use Development Project (the "Project"), by Motion No. 18269, finding that the Final EIR reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, contains no significant revisions to the Draft EIR, and the content of the FEIR and the procedures through which the Final EIR was prepared, publicized and reviewed comply with the provisions of the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq., "CEQA"), the State CEQA Guidelines (California Code of Regulations Title 14 Sections 15000 et seq.), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").
- (b) At the same hearing at which the Planning Commission certified the Final EIR, the Planning Commission by Motion No. 18270 adopted findings, as required by CEQA, regarding the alternatives, mitigation measures, and significant environmental effects analyzed in the Final EIR, a statement of overriding considerations for approval of the Project, and a proposed mitigation monitoring and reporting program (collectively, "CEQA Findings").
- (c) On May 24, 2011, at a duly noticed public hearing, the Board of Supervisors reviewed and considered the Final EIR on appeal. By Motion No. M11-83, the Board of Supervisors upheld the Planning Commission's certification of the Final EIR and found the Final EIR to be complete, adequate and objective and reflecting the independent judgment of the City and in compliance with CEQA and the State CEQA Guidelines (California Code of Regulations Title 14 Sections 15000 et seq.).
- (d) On June 7, 2011, at a duly noticed public hearing, the Board of Supervisors considered the Project's approvals, which included amendments to the City's General Plan (approved by Ordinance No. 92-11), Zoning Map (approved by Ordinance No. 91-11), and Planning Code (approved by Ordinance No. 90-11), as well as approval of a Development

Agreement, approved on June 7, 2011 by Ordinance No. 89-11 (the "Development Agreement") (collectively, the "Project Approvals"). Ordinance No. 89-11 is on file with the Clerk of the Board in File No. 110300 and is incorporated herein by reference. The SFPUC Commission on June 14, 2011 adopted a consent to the Development Agreement (SFPUC Commission Resolution No. 11-0091).

- (e) In approving the Project, including in its approval of the Development Agreement by Ordinance No. 89-11, the Board of Supervisors adopted the Planning Commission's CEQA Findings as its own and incorporated them by reference. In so doing, the Board of Supervisors approved and endorsed the Mitigation Monitoring and Reporting Program ("MMRP") for implementation by other City departments and recommended for adoption those mitigation measures that are enforceable by agencies other than City departments. A copy of the CEQA Findings and the Mitigation Monitoring and Reporting Program is on file with the Clerk of the Board in File No. 110300 and is incorporated herein by reference.
- (f) Section 6.1.1 of the Development Agreement requires that the City convey to Project Sponsor any real property needed in connection with the development of an approved Development Phase for the Project, following vacation and abandonment of any public rights and relocation of any utilities in such real property. The Planning Director approved Development Phase 1 of the Project on June 3, 2015. Development Phase 1 is comprised of four Subphases (1A, 1B, 1C, and 1D).
- (g) On February 20, 2015, Parkmerced Owner, LLC (together, with its successors and assigns, the "Project Sponsor") submitted three applications for tentative subdivision maps pursuant to the requirements of the California Subdivision Map Act for Subphases 1A and 1B of the Project. On August 21, 2015, Public Works ("PW") pursuant to PW Order No. 183946 conditionally approved such tentative maps: (1) Tentative Map No. 8530 requested approval to subdivide Assessor's Blocks 7326, 7330, 7331, 7364, 7365, 7366 and 7370 (Parkmerced

Planning Blocks 20, 21S, and 22); (2) Tentative Map No. 8531 requested approval to subdivide Assessor's Block 7335 (Parkmerced Planning Block 6); and (3) Tentative Map No. 8532 requested approval to subdivide Assessor's Block 7308 (Parkmerced Planning Block 1) (collectively, the "Subphase 1A and 1B Tentative Maps"). The Project Sponsor is currently processing with PW the approval of a final subdivision map for each of the Subphase 1A and 1B Tentative Maps (each, a "Final Map").

- (h) Subphases 1A and 1B of the Project involve the conditional vacation of certain public service easements (including sewer, storm drain, and water line easements) owned by the San Francisco Public Utilities Commission located within and outside of existing streets (the "Public Utility Easements"). The SFPUC Vacation Area is shown in Public Works SUR Map Nos. 2016-005, 2016-007, 2016-008, 2016-009, 2016-010, 2016-011, 2016-012, 2016-013, 2016-014, 2016-015, 2016-016, 2016-020, and 2016-021. Copies of such maps are on file with the Clerk of the Board in File No. 161240 and are incorporated herein by reference.
- (i) On December 13, 2016, the Board of Supervisors adopted Resolution No. 525-16 (the "Resolution of Intention"), a copy of which is on file with the Clerk of the Board of Supervisors in File No. 161239, declaring the intention of the Board to conditionally vacate the Public Utility Easements.
- (j) The Clerk of the Board of Supervisors published the Resolution of Intent in the manner required by law, and the Director of PW posted the Resolution of Intent in the manner required by law.
- (k) When the Board of Supervisors held a duly noticed public hearing on this public utility vacation order on January 10, 2017, the Board received public comment regarding the vacation of the Public Utility Easements.
- (I) The vacation of the Public Utility Easements is necessary to implement the Project, to fulfill the objectives and requirements of the Development Agreement, and to fulfill the

objectives of the Parkmerced Special Use District (Planning Code Section 249.64). The proposed vacations and other actions contemplated herein implement the Project vested by the Project Approvals, including the construction of buildings and streets consistent with the Parkmerced Design Standards and Guidelines, the Parkmerced Transportation Plan, and the Parkmerced Infrastructure Report, all of which are incorporated by reference into the Development Agreement.

- (m) The City proposes to quitclaim its interest in the Public Utility Easements to the Project Sponsor, consistent with Development Agreement Section 6.1.1.
- (n) Because certain of the easements will remain in use until specified times, no portion of the Public Utility Easements shall be vacated until the Project Sponsor provides PW with an acceptable Public Improvement Agreement ("PIA") pursuant to Section 1351 of the San Francisco Subdivision Code and the Subdivision Map Act for all improvements within the Final Map or required for development of the area shown in the Final Map prior to approval of a Final Map or issuance of a Street Improvement Permit for Subphases 1A or 1B of the Project, whichever is earlier. Such PIA shall address security provisions and provide interim easements or licenses via separate offer, such that the City can complete the improvements if the Project Sponsor fails to do so.
- (o) On October 25, 2016, after a duly noticed public hearing, the San Francisco
  Public Utilities Commission in Resolution No. 16-0224, determined that the Public Utility
  Easements were surplus and unnecessary for public utility purposes, and therefore
  recommended that the Board of Supervisors terminate and vacate such easements subject to
  the conditions in this ordinance and authorize the General Manager of the SFPUC to quitclaim
  these real property interests. A copy of this resolution is on file with the Clerk of the Board of
  Supervisors in File No. 161240.

- (p) The Board of Supervisors finds that the actions proposed herein are consistent with and within the scope of the Project analyzed in the Final EIR and subject to the CEQA Findings. The Board of Supervisors further finds that no substantial changes are proposed in the Project and no substantial changes have occurred with respect to the circumstances under which this Project will be undertaken that would cause new significant environmental effects or a substantial increase in the severity of previously identified effects, and there is no new information of substantial importance showing that the Project would have any significant effects not discussed in the Project environmental impact report, that significant effects would be substantially more severe, or that new or different mitigation measures or alternatives would substantially reduce one or more significant effects of the Project. The Board affirms the Planning Department's determination that an addendum to the Final EIR is not required due to any changes in the Project or the Project's circumstances.
- (q) In a letter dated November 14, 2016 (the "Planning Letter"), the Planning Department determined that the proposed vacations and other actions contemplated herein are on balance consistent with the General Plan and with the Eight Priority Policies of City Planning Code Section 101.1, comply with applicable provisions of the Planning Code, and are consistent with the Project as defined in the Development Agreement and the Project Approvals. A copy of said letter is on file with the Clerk of the Board in File No. 161240 and is incorporated herein by reference. The Board of Supervisors adopts as its own the consistency findings of the Planning Letter.
- (r) These public easement vacation actions are conducted under the general vacation procedures of the California Public Streets, Highways and Service Easements Vacation Law (California Streets and Highways Code Sections 8300 et seq.) and San Francisco Public Works Code Section 787(a).

- (s) The Director of PW has prepared PW Order No. 185483, dated November 21, 2016, in regard to the vacations and other actions contemplated herein and makes the following determinations: (1) upon satisfaction of the applicable condition or conditions provided in Section 1(n), the respective Public Utility Easements will no longer be necessary for the City's present or prospective public service easement purposes as all existing physical public utilities located in the Public Utility Easements will be relocated to the satisfaction of the City as part of the construction of the Project; (2) with the exception of those public easements noted in Sections 3(a) below, the public interest, convenience, and necessity do not require any easements or other rights be reserved for any public utility facilities that are in place in the Public Utility Easements and that any rights based upon any such public utility facilities shall be extinguished automatically upon the effectiveness of the vacation; (3) in accordance with California Streets and Highways Code Section 892, for those portions of the Public Utility Easements to be conditionally vacated identified in Section 1(n) above, upon satisfaction of the applicable condition or conditions, the respective Public Utility Easements will no longer by useful as a non-motorized transportation facility, as defined in Section 887, because the Development Agreement requires the dedication and construction of an extensive street, bicycle path, pedestrian path, park, and trail system that is more extensive than the areas being vacated hereby and that is designed to integrate with existing built streets in the adjacent neighborhoods; and (4) it is a policy matter for the Board of Supervisors to guitclaim the City's interest in the Public Utility Easements to the Buyer, subject to the requirements of the Development Agreement. A copy of the PW Order is on file with the Clerk of the Board of Supervisors in File No. 161240 and is incorporated herein by reference.
- (t) In addition, in the PW Order the PW Director recommended: (1) that the Board of Supervisors adopt the legislation to vacate the Public Utility Easements; (2) that the Board of Supervisors approve all actions set forth herein and previously taken by the Officers of the

(u) In addition, solely for those Public Utility Easements shown on SUR Maps 2016-005, 2016-011, 2016-013, 2016-015, and 2016-016, in the PW Order the PW Director determined that the public interest, convenience, and necessity require that the City reserve from the vacation of the Public Utility Easements shown on SUR Maps 2016-005, 2016-011, 2016-013, 2016-015, and 2016-016, non-exclusive easements for the benefit of the City for water main utilities located in, upon, and over the Public Utility Easements shown on SUR Maps 2016-005, 2016-011, 2016-013, 2016-015, and 2016-016 in which the SFPUC's inplace and functioning utilities are located as of the effective date of this ordinance, to the extent necessary to maintain, operate, repair, and remove existing lines of pipe and other convenient structures, equipment and fixtures for the operation by SFPUC of SFPUC utilities. This reservation and the automatic extinguishment of the reservation to occur upon satisfaction of certain conditions are described in Section 3 below.

Section 2. Public Utility Easement Vacation.

(a) Except as set forth in Sections 3 and 4 below, the Board of Supervisors hereby vacates the Public Utility Easements in the manner described in Section (1)(m), upon satisfaction of the conditions described in this ordinance and pursuant to California Streets

and Highways Code Sections 8300 et seq. and San Francisco Public Works Code Section 787(a).

- (b) The Board of Supervisors hereby finds that the Public Utility Easements are unnecessary for present or prospective public use, subject to the conditions described in this ordinance.
- (c) The Board finds that the public interest, convenience, and necessity require that the Vacation Action be done as declared in this ordinance.
- (d) The Vacation Action shall be effective as to all of the Public Utility Easements upon satisfaction of the conditions in Sections1, 3 and 4 and recording of the City's quitclaim deed in substantially the same form as the draft quitclaim deed on file with the Clerk of the Board of Supervisors in File No. 161240.

Section 3. Conditions to the Vacation Action; Reservation and Easements.

(a) The vacation of the Public Utility Easements shown on SUR Maps 2016-005, 2016-011, 2016-013, 2016-015, and 2016-016 are subject to the reservation of non-exclusive easements on the terms and conditions described in Section 1(n) above for the benefit of the City for the utilities that are located in, upon, or over any portion of the Public Utility Easements shown on SUR Maps 2016-005, 2016-011, 2016-013, 2016-015, and 2016-016 in which the SFPUC's respective in-place and functioning utilities are located, to the extent necessary to maintain, operate, repair, and remove existing lines of pipe and other convenient structures, equipment and fixtures for the operation of such utilities and also the rights to trim and cut down trees and brush that may be a hazard to the utilities. To the extent the non-exclusive easements described in this Section 3(a) have not previously merged into a fee interest held by the City, such non-exclusive easements reserved in this Section 3(a) shall be automatically extinguished when such alternative replacement facilities are completed to the

satisfaction of the City Engineer and the Board of Supervisors accepts the facilities. The City shall execute a quitclaim of any interest in any easement reserved under this Section 3(a) and shall cause such quitclaim to be recorded against the subject property upon the fee title owner demonstrating to the City that replacement utilities serving the affected area have been substantially completed and operable. In the event a non-exclusive easement described in this Section 3(a) has merged into the fee interest held by the City, such interest shall be deemed to be automatically extinguished and conveyed at the time the fee interest is conveyed by the City to the Project Sponsor or any other transferee pursuant to the Development Agreement.

- (b) The PIA shall provide that, prior the issuance of the first certificate of occupancy for the first building constructed as part of Development Phase 1 of the Project, the Project Sponsor shall perform those actions as reasonably required by the City (which may include, but not be limited to, execution of a quitclaim deed or performance of a quiet title action) to clarify that the City owns fee title to the public streets and/or the Public Utilities Easements in the Parkmerced Development Project as of the date of issuance of the said certificate of occupancy.
- (c) Except as specifically provided in this ordinance and subject to the conditions set forth in this Section 3 and in Section 4 of this ordinance, no easements or other rights are reserved for any public utility facilities that are in place in the Public Utility Easements and any rights based upon any such public utility facilities shall be extinguished upon the effectiveness of the vacation hereunder.

Section 4. Execution of Quitclaim Deeds and Delegation to Director of Real Estate.

(a) The Board of Supervisors hereby authorizes the Director of Real Estate to execute City quitclaim deeds to the Project Sponsor for those portions of the Public Utility Easements

to be conditionally vacated (as described in Section (1)(n)) upon satisfaction of the applicable conditions set forth in Section (1)(n).

(b) The quitclaim deeds executed pursuant to this Section 4 shall include the reservations of the non-exclusive easements to the City for City utilities described in Section 3. The Board hereby delegates to the Director of Real Estate, in cooperation with the County Surveyor, the authority to prepare and record quitclaims pursuant to this ordinance so as to fully implement the intent of this ordinance and to fully implement the Project.

Section 5. The Board of Supervisors hereby directs the Clerk of the Board of Supervisors to transmit to the Director of PW certified copies of this ordinance, and the Board of Supervisors hereby urges the Director of PW to proceed in the manner required by law.

The Clerk of the Board also is hereby directed to transmit to the Director of PW certified copies of this ordinance so that this ordinance may be recorded together with any other documents necessary to effectuate this ordinance.

Section 6. The Mayor, Clerk of the Board, Director of Property, the General Manager of the San Francisco Public Utilities Commission, and Director of PW are hereby authorized and directed to take any and all actions which they or the City Attorney may deem necessary or advisable in order to effectuate the purpose and intent of this ordinance (including, without limitation, the filing of the ordinance in the Official Records of the City and County of San Francisco, determination of the precise locations of the boundaries of quitclaims to be prepared and recorded pursuant to this ordinance, confirmation of satisfaction of any of the

conditions to the effectiveness of the vacation of any portion of the Public Utility Easements hereunder, and confirmation of the reservation of easements pursuant to Section 3(a) of this ordinance and execution and delivery of any evidence of same, which shall be conclusive as to the satisfaction of such conditions upon signature by any such City official or his or her designee).

Section 7. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

MARLENA BYRNE

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## City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Ordinance

File Number: 16

161240

Date Passed: January 24, 2017

Ordinance 1) ordering the conditional vacation of certain San Francisco Public Utilities Commission (SFPUC) public service easements that exist within Subphases 1A and 1B of the Parkmerced Development Project area, an approximately 152 acre site located in the Lake Merced District in the southwest corner of San Francisco and generally bounded by Vidal Drive, Font Boulevard, Pinto Avenue, and Serrano Drive to the north, 19th Avenue and Junipero Serra Boulevard to the east, Brotherhood Way to the south, and Lake Merced Boulevard to the west; 2) reserving easement rights in favor of the SFPUC, subject to conditions specified in this Ordinance; 3) delegating authority to the Director of Real Estate to execute certain quit claim deeds; 4) adopting findings under the California Environmental Quality Act; 5) adopting findings that the vacations are consistent with the Parkmerced Development Agreement, the General Plan, and the eight priority policies of Planning Code, Section 101.1; 6) directing the Clerk of the Board of Supervisors to make certain transmittals; and 7) authorizing actions by City officials in furtherance of this Ordinance.

December 12, 2016 Land Use and Transportation Committee - REFERRED WITHOUT RECOMMENDATION

January 10, 2017 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Tang, Yee and Sheehy

January 24, 2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 161240

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 1/24/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Bilance

Date Approved