

1 [Real Property Acquisition - 700-730 Stanyan Street - McDonald's Corporation - \$15,500,000]

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3 **Resolution approving and authorizing the Real Estate Division, on behalf of the**  
4 **Mayor's Office of Housing and Community Development, to acquire Real Property,**  
5 **located at 700-730 Stanyan Street from McDonald's Corporation, for purchase at**  
6 **\$15,500,000; placing the property under the jurisdiction of the Mayor's Office of**  
7 **Housing and Community Development for use in constructing affordable housing for**  
8 **San Franciscans; adopting findings that the conveyance is consistent with the General**  
9 **Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing**  
10 **the Director of Property to execute documents, make certain modifications and take**  
11 **certain actions in furtherance of the purchase agreement and this Resolution, as**  
12 **defined herein.**

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14 WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD")  
15 is responsible for the funding and development of affordable housing in the City of and County  
16 of San Francisco; and

17 WHEREAS, The City has been offered an opportunity to purchase real property,  
18 located at 700-730 Stanyan Avenue (the "Property"), for purposes of building affordable  
19 housing on the Property; and

20 WHEREAS, Seller and City have negotiated a purchase and sale agreement, a copy of  
21 which is on file with the Clerk of the Board of Supervisors in File No. 171319 (the "Purchase  
22 Agreement"), for sale of the Property to the City for \$15,500,000; and

23 WHEREAS, An independent appraisal confirmed that the purchase price is less than  
24 the fair market value of the Property; and

1           WHEREAS, MOHCD has evaluated the Property and confirmed that it can utilize the  
2 Property for development of permanently affordable housing; a letter from MOHCD dated  
3 December 11, 2017, supporting the purchase is on file with the Clerk of the Board of  
4 Supervisors in File No. 171319; and

5           WHEREAS, The Planning Department, by letter dated January 10, 2018, found that the  
6 acquisition of the Property is not considered a project under the California Environmental  
7 Quality Act (“CEQA”, Pub. Resources Code, Section 21000 et seq.) pursuant to CEQA  
8 Guidelines, Section 15060 and Chapter 31 of the City’s Administrative Code, and is consistent  
9 with the General Plan, and the eight priority policies of Planning Code, Section 101.1, which  
10 letter is on file with the Clerk of the Board of Supervisors in File No. 171319, and incorporated  
11 herein by this reference; and

12           WHEREAS, The Property currently contains a public restaurant Franchisee but will be  
13 delivered vacant at close of sale; now, therefore, be it

14           RESOLVED, That in accordance with the recommendation of the Director of MOHCD  
15 and the Director of Property, the Board of Supervisors approves the Purchase Agreement in  
16 substantially the form presented to the Board, and authorizes Director of MOHCD and the  
17 Director of Property to take all actions necessary or appropriate to acquire the Property as set  
18 forth in the Purchase Agreement; and, be it

19           FURTHER RESOLVED, That MOHCD has legal authority, is willing, and is in a position  
20 financially and otherwise to assume immediate care and maintenance of the property, and  
21 that the Director of MOHCD, and the Director of the Real Estate Division, are hereby  
22 authorized and urged to accept the deed to the Property from the Seller upon the closing in  
23 accordance with the terms and conditions of the Purchase Agreement, and to take any and all  
24 steps (including, but not limited to, the execution and delivery of any and all certificates,  
25 agreements, notices, consents, escrow instructions, closing documents and other instruments

1 or documents) as the Director of Property deems necessary or appropriate in order to acquire  
2 the Property pursuant to the Purchase Agreement, or to otherwise effectuate the purpose and  
3 intent of this Resolution, such determination to be conclusively evidenced by the execution  
4 and delivery by the Director of Property of any such documents; and, be it

5 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed  
6 by all parties, the MOHCD shall provide the final contract to the Clerk of the Board for  
7 inclusion into the official file.

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1 \$16,000,000 available  
2 Fund: 10770  
3 Project: 10001009  
4 Approximate Amount: \$10,300,000  
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6 Fund: 10770  
7 Project: 10029818  
8 Approximate Amount: \$1,700,000  
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10 Fund: 10580  
11 Project: 10023908  
12 Approximate Amount: \$4,000,000:

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Ben Rosenfield  
Controller

RECOMMENDED:

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John Updike  
Director of Property

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Kate Hartley, Director of the Mayor's Office of Housing and Community Development