

1 [Modification of Easement Deed - Koret Foundation - SFPUC Parcel 22 - Located in South
2 San Francisco, California]

3 **Resolution approving First Amendment to Easement Deed between the Koret**
4 **Foundation and the City and County of San Francisco, acting by and through its San**
5 **Francisco Public Utilities Commission (SFPUC), for the purpose of clarifying and**
6 **amending the respective rights of the parties to the Grant Deed dated April 6, 1907**
7 **(Original Deed) with respect to SFPUC Parcel 22 located between West Orange Avenue**
8 **and Southwood Drive in South San Francisco, California; and authorizing the Director**
9 **of Property and/or the SFPUC’s General Manager to execute documents, make certain**
10 **modifications, and take certain actions in furtherance of this Resolution, as defined**
11 **herein.**

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13 WHEREAS, The City and County of San Francisco (City) owns certain real property
14 presently under the jurisdiction of the San Francisco Public Utilities Commission (SFPUC)
15 known as SFPUC Parcel 22 located between West Orange Avenue and Southwood Drive in
16 South San Francisco, California (Property); and

17 WHEREAS, City purchased the Property from the Spring Valley Water Company
18 pursuant to a deed dated March 3, 1930, for use as part of the SFPUC’s regional water
19 transmission pipeline system known as the Bay Division Pipelines 3 and 4; and

20 WHEREAS, The Property was acquired by the Spring Valley Water Company pursuant
21 to a deed dated April 6, 1907, (Original Deed) between the Baden Company as original
22 grantor, and Spring Valley Water Company, as the original grantee; and

23 WHEREAS, In 1964, The Koret Foundation, the Baden Company’s successor in
24 interest with respect to the Property, designed and constructed on a parcel adjacent to the
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1 Property a 102-unit market-rate apartment complex known as the Clubview Apartments
2 (Clubview); and

3 WHEREAS, City and Koret are parties to that certain lease dated January 7, 2000,
4 (Lease) whereby Koret leases the surface of the Property for Clubview’s landscaping, on-site
5 circulation, access, and parking because Koret and the SFPUC understood these rights to be
6 in excess of the rights granted to Koret under the Original Deed; and

7 WHEREAS, In its review of the Original Deed as part of negotiations for renewal of the
8 Lease, the SFPUC concluded that all of Koret’s rights under the Lease, except for parking,
9 were in fact granted under the Original Deed, and that an amendment to the Original Deed
10 would be more appropriate than a new lease; and

11 WHEREAS, City and Koret both desire to amend the Original Deed to expand Koret’s
12 reserved rights to include the right to park on the Property, in exchange for providing
13 additional rights typically granted to City in its modern leases and licenses; and

14 WHEREAS, City engaged the services of Century Urban, an economic and land use
15 consulting firm, to evaluate the rights that are proposed to be exchanged pursuant to the
16 Amendment to ensure City is not transferring net value to Koret; and

17 WHEREAS, In its report dated March 9, 2020, Century Urban concluded that no
18 identifiable, material net value is transferred between the parties to the Amended Deed; and

19 WHEREAS, A copy of the Amendment is on file with the Clerk’s Office; and

20 WHEREAS, The SFPUC Commission approved the Easement Deed by Resolution 20
21 -0137 on June 23, 2020; and

22 WHEREAS, On June 23, 2020, the SFPUC determined that the Amendment does not
23 constitute a “project” under California Environmental Quality Act (CEQA) Guidelines, Section
24 15378, because there would be no physical change in the environment; now, therefore, be it
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1 RESOLVED, That the Board of Supervisors hereby adopts that the SFPUC's
2 determination that to the Amendment is not a project under applicable CEQA Guidelines; and,
3 be it

4 FURTHER RESOLVED, That the Board of Supervisors, in accordance with the
5 recommendations of the SFPUC and the Director of Property, hereby approves the terms and
6 conditions of the Amendment and authorizes the Director of Property and/or the SFPUC's
7 General Manager, in the name and on behalf of City, to execute the Amendment in
8 substantially the form presented to the Board and to take any and all steps as the Director of
9 Property or SFPUC General Manager deems necessary or appropriate in connection with the
10 execution and recording of the Amendment or to otherwise effectuate the purpose and intent
11 of this resolution, such determination to be conclusively evidenced by the execution and
12 delivery by the Director of Property and/or SFPUC General Manager of any such documents;
13 and, be it

14 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
15 of Property and/or the SFPUC General Manager to enter into any amendments or
16 modifications to the Amendment, including its attached exhibits, that the General Manager
17 determines, in consultation with the City Attorney, are in City's best interest; do not materially
18 increase City's obligations or liabilities; are necessary or advisable to effectuate the purposes
19 and intent of the Amendment or this resolution; and are in compliance with all applicable laws,
20 including the City Charter; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby ratifies, approves, and
22 authorizes all actions heretofore taken by any City official in connection with the Amendment;
23 and, be it

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1 FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the
2 Board of Supervisors a fully executed copy of the Amendment within thirty (30) days of
3 signature of same.

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