



108-0042026-002

Agenda Item **No. 8(a)**
Meeting of October 20, 2026

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Proposed disposition of real property assets to the City and County of San Francisco for Governmental Purposes under Section 34181 (a) (1) of the California Health and Safety Code by transferring the former Redevelopment Agency's beneficial interests in covenants related to the Alice Street Community Gardens and the Contemporary Jewish Museum in the former Yerba Buena Center Redevelopment Project Area

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure ("OCII"), has beneficial interests in certain parcels of real property that it transferred to, and are now owned by, third parties. These beneficial interests include restrictive covenants that limit the owners' uses of the properties and run with the land in perpetuity.

Two sites possessing separate restrictive covenants are: 1) the Alice Street Community Gardens ("Alice Gardens Site") owned by the Tenant's and Owner's Development Corporation, Inc. ("TODCO"); and 2) the Contemporary Jewish Museum site (the "Museum Site," further described below), which is owned by the Contemporary Jewish Museum, a California nonprofit public benefit corporation ("CJM"). The Alice Gardens Site is restricted to community open space, but TODCO is considering developing affordable housing at the site. The Museum Site is restricted to a museum and is considering related uses.

Due to dissolution, OCII's authority is limited in these circumstances. OCII is proposing that the Oversight Board and Department of Finance ("DOF") approve the transfer of its beneficial interests in these separate restrictions to the City and County of San Francisco (the "City"), as real property assets "used for a governmental purpose," Cal. Health & Safety Code § 34181 (a) (1). If the transfers are approved through Assignment and Assumption Agreements, the City would assume control of the beneficial interests in the restrictions and then separately work with TODCO and CJM on the next steps for the properties under City policy and zoning. Transferring OCII's beneficial interests in these

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restrictions also furthers the dissolution requirement that OCII transfer all its assets. Health & Safety Code § 34177(e) (requiring successor agencies to “[d]ispose of assets and properties of the former redevelopment agency as directed by the oversight board”).

This memorandum informs the Commission that OCII Staff will recommend that the Oversight Board approve the Assignment and Assumption Agreements to the City.

DISCUSSION

Alice Street Community Gardens

As part of the Yerba Buena Center Redevelopment Plan (the “YBC Plan”), the former San Francisco Redevelopment Agency (“Former Agency”) leased the Alice Gardens Site to TODCO in 1983 for the development of a community garden as a replacement for the Clementina Gardens in the Yerba Buena Center Redevelopment Project Area (“Project Area”). The Clementina Gardens was demolished to accommodate construction of the Ceatrice Polite Apartments. The Ceatrice Polite Apartments are a 90-unit affordable project for low-income seniors.

Prior to the expiration of the YBC Plan on January 1, 2011, the Former Agency entered into a Disposition and Development Agreement dated April 20, 2010 (the “Alice Gardens Agreement”) with TODCO transferring land to TODCO for the Alice Gardens Site at Lot 173 of Assessor's Block 3751 located in the Project Area.

Section 5.02 of the Alice Gardens Agreement states: “[t]he Site and the Improvements thereon shall be devoted only for use as a community garden or other form of community open space for use by the Project Area residents and visitors.” In Alice Gardens Agreement’s “Declaration of Site Restrictions” (“Declaration”), Section 6, “[t]he Site and the Improvements thereon shall be devoted only to use as a community... garden or other form of community open space for use by Project Area residents.” In addition, the Parties entered into the “Alice Gardens Grant Deed,” which transferred the Alice Gardens Site from the Former Agency to TODCO, subject to a land use restriction that required TODCO “not [to] devote any portion of the [Alice Gardens Site]...to any use other than a community garden or other form of community open space.” The land use restrictions set forth in the Alice Gardens Agreement, the Alice Gardens Grant Deed, and the Declaration are collectively referred to in this memorandum as the “Alice Gardens Restrictions.” Earlier this year, a representative of TODCO sought information about removing or amending the Alice Gardens Restrictions in order to build affordable housing at the Alice Gardens Site.

The Project Area is expired, and the zoning is under the jurisdiction of the San Francisco Planning Department. TODCO and the Mayor’s Office of Housing and Community Development (“MOHCD”) have been discussing the possibility of developing affordable housing on the Alice Gardens Site, but the Alice Gardens Restrictions would need to be removed by amending or terminating the Alice Gardens Restrictions. As part of its requirements under Dissolution Law, OCII has determined that it should transfer its beneficial interests in Alice Gardens Restrictions to the City. Then, the City, through MOHCD, if it so desires and on its own, would be able to amend the Alice Gardens Agreement, the Alice Gardens Grant Deed, and Alice Gardens Restrictions as necessary as it continues to work with TODCO to explore the option of developing affordable housing on the Alice Gardens Site.

Contemporary Jewish Museum

Prior to the expiration of the YBC Plan, the Former Agency and CJM entered into an Amended and Restated Disposition and Development Agreement dated August 2, 2005 (the "CJM Agreement") for sale and development of the site known as Parcel CB-1-JSS, located on a portion of Lot 117 of Assessor's Block 3706 on the portion of the Project Area known as Central Block I ("CB-I"), bounded by Market Street, Third Street, Mission Street and Fourth Street ("Museum Site"). The disposition of the Museum Site to the CJM included the disposition of Jessie Street Substation building ("Substation") for rehabilitation, seismic strengthening and adaptive reuse as a high-quality museum facility, including ancillary components ("Museum Building"). The Museum Building opened in 2008 but unfortunately closed in 2025.

The CJM Agreement contains restrictive covenants requiring the Museum Building to remain as a museum. These covenants include those set forth in Section 7.01.3 of the Agreement, which states that "[f]ollowing the issuance of a Certificate of Completion by the Agency, the Site and the Improvements thereon shall be used only as a Museum with ancillary and incidental commercial/retail uses related to the Museum..." The covenants set forth in the CJM Agreement were incorporated into the Grant Deed entered into on August 2, 2005 by CJM and the Former Agency (the "CJM Grant Deed"). The CJM Grant Deed transferred ownership of the Museum Parcel to CJM subject to the covenants set forth in the CJM Agreement. Section 3.2 of the CJM Grant deed explicitly states that the Former Agency and its successors and assigns were to be considered beneficiaries of the covenants set forth in the CJM Agreement and the CJM Grant Deed (collectively, the "CJM Restrictions").

Similar to the situation with Alice Gardens Restrictions, OCII does not have the authority to remove or amend the CJM Restrictions due to the limitations on its ability to modify or terminate its real property interests as a result of redevelopment dissolution.

Long Range Property Management Plan

Dissolution Law required OCII to prepare a Long-Range Property Management Plan ("PMP") describing the proposed disposition of the Former Agency's real property assets. In late 2015, the Oversight Board and DOF reviewed and approved the PMP's detailed list of the Former Agency's properties to be sold, retained, or transferred due to dissolution. Once DOF approved the PMP, the actions to implement the PMP do not need subsequent review or approval.

OCII's PMP did not include the Alice Gardens Restrictions or the CJM Restrictions. Dissolution Law does not allow for PMP amendments once the PMP is approved. It does, however, provide an alternative method for disposing of the Former Agency's real estate assets under Section 34181 (a) (1) of the Health and Safety Code: "The oversight board shall direct the successor agency to . . . dispose of all assets and properties of the former redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose . . . to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset." See also Cal. Health & Safety Code § 34177 (e) (providing that the oversight board may "direct the successor agency to transfer ownership of certain assets pursuant to subdivision (a) of Section 34181").

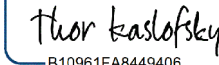
ENVIRONMENTAL REVIEW

The authorization of the Assignment and Assumption Agreement to transfer OCII's beneficial interest in the Alice Gardens Restrictions and CJM Restrictions to the City is not subject to environmental review under the California Environmental Quality Act ("CEQA") because it is an administrative activity of government and therefore not a "project" as defined under CEQA Guidelines Section 15378(b)(5). The City will conduct any necessary environmental review once the specific nature of future activities related to the Alice Gardens Site and Museum Site are determined.

NEXT STEPS

The proposed Assignment and Assumption Agreements will be presented to the Oversight Board on October 28, 2026 for approval, following 10 days' public notice. If approved, DOF will review the Oversight Board action. Cal. Health & Safety Code § 34181(a).

(Originated by Marc Slutzkin, Deputy Executive Director)

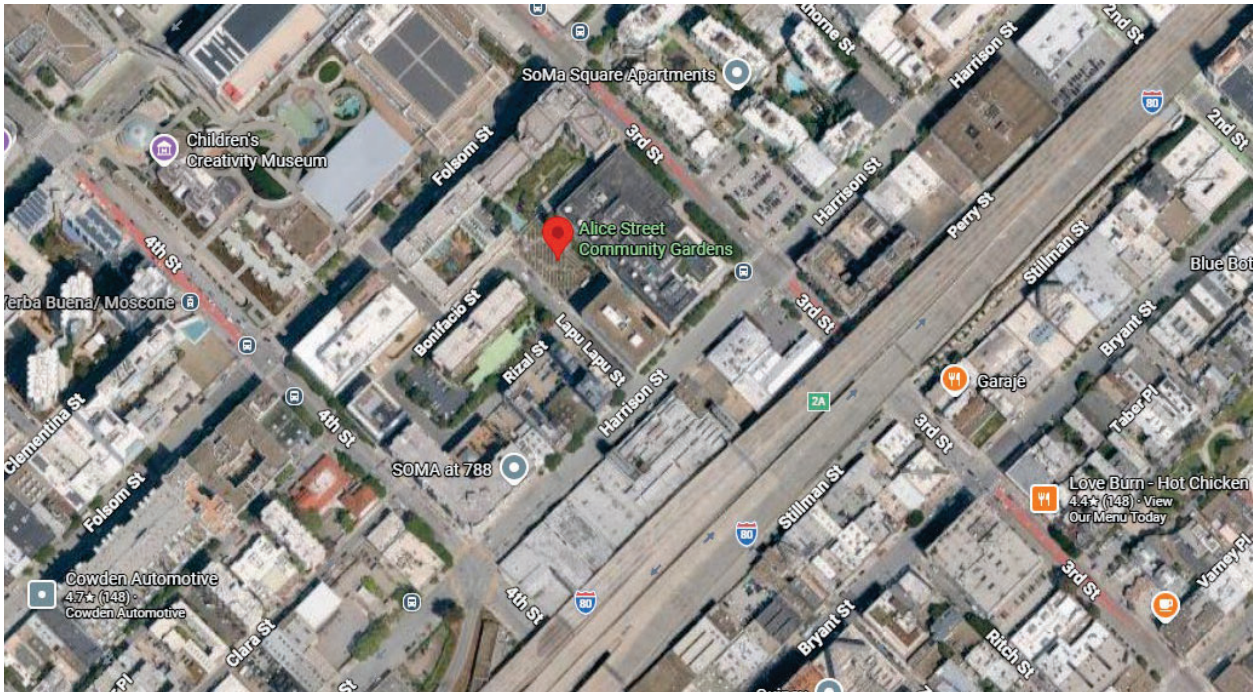
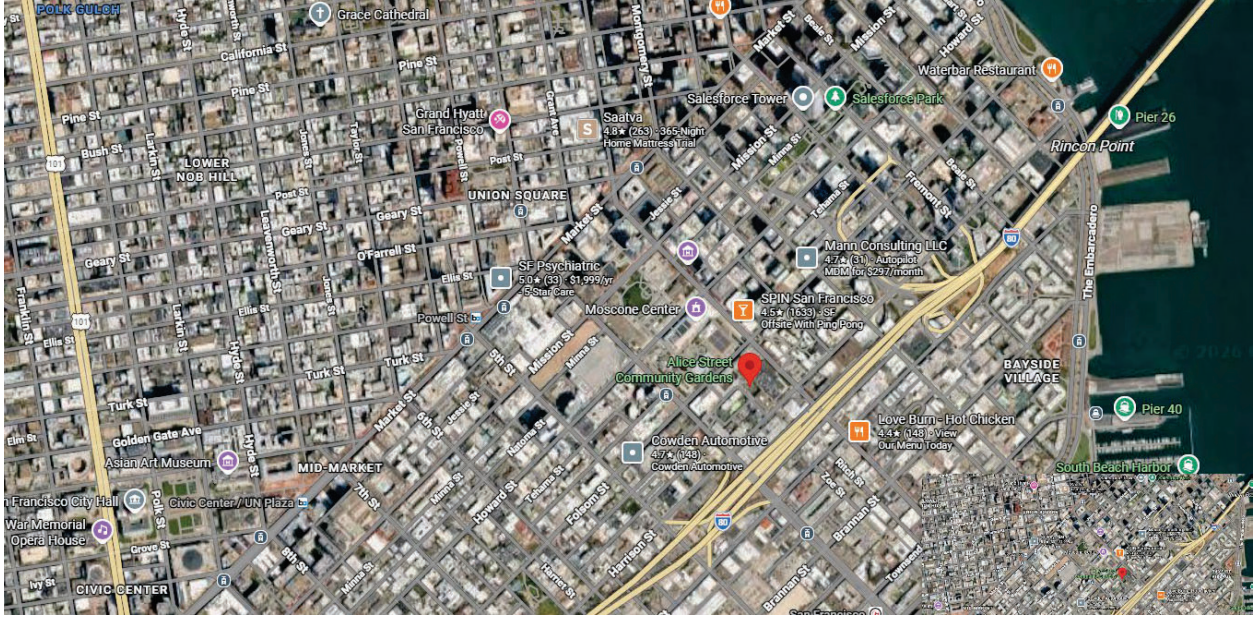
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Thor Kaslofsky
Executive Director

Attachment A – Alice Gardens Site Maps

Attachment B – Museum Site Maps

Attachment A

Alice Street Community Gardens



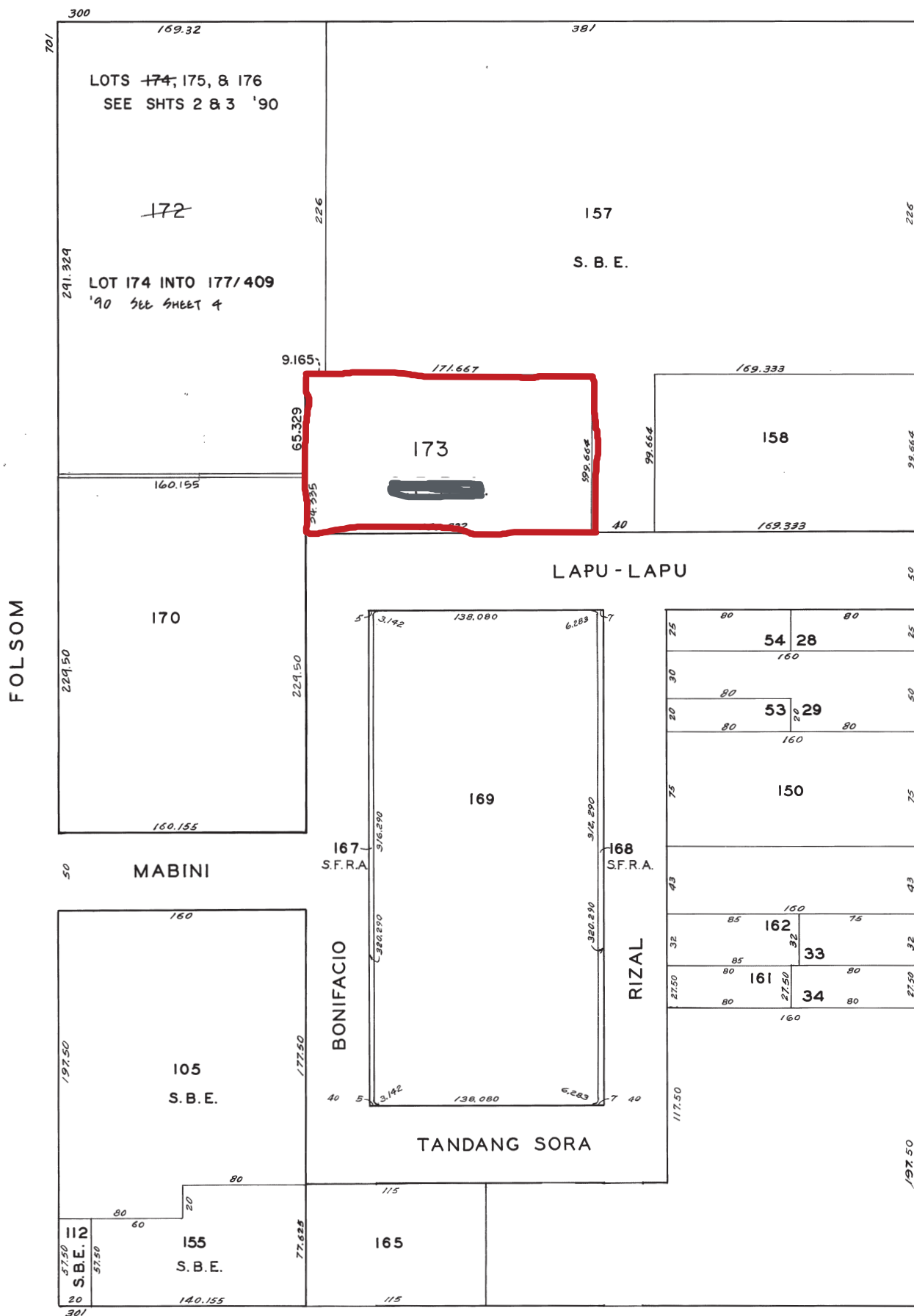
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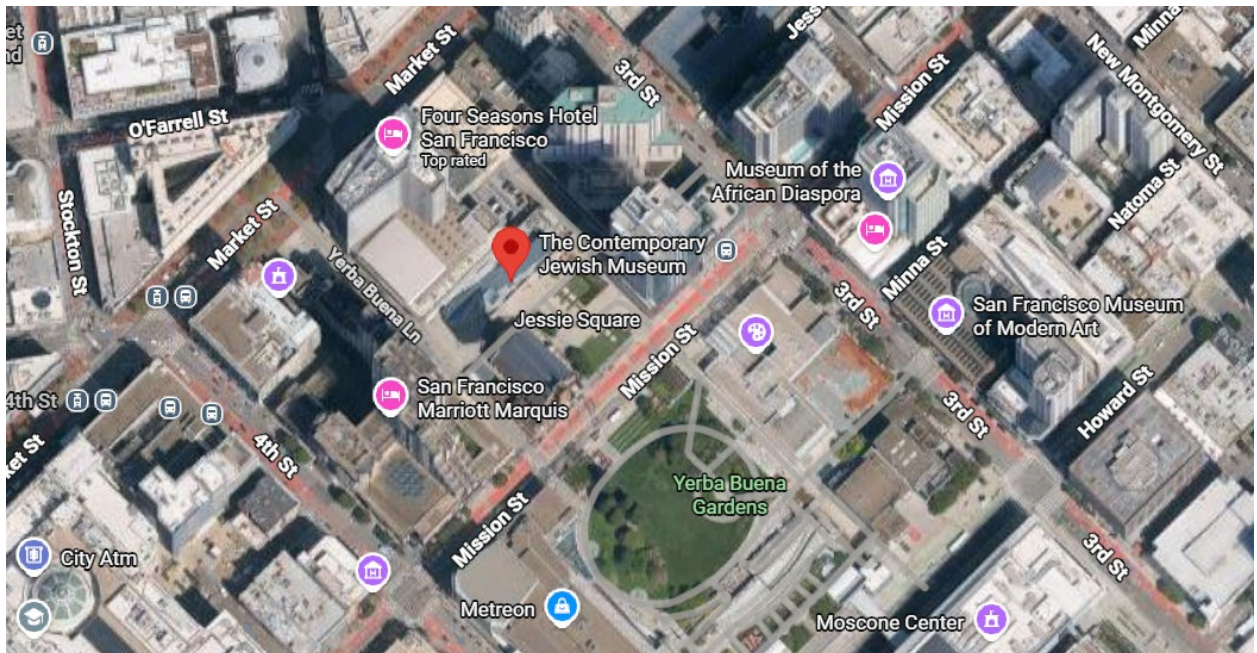
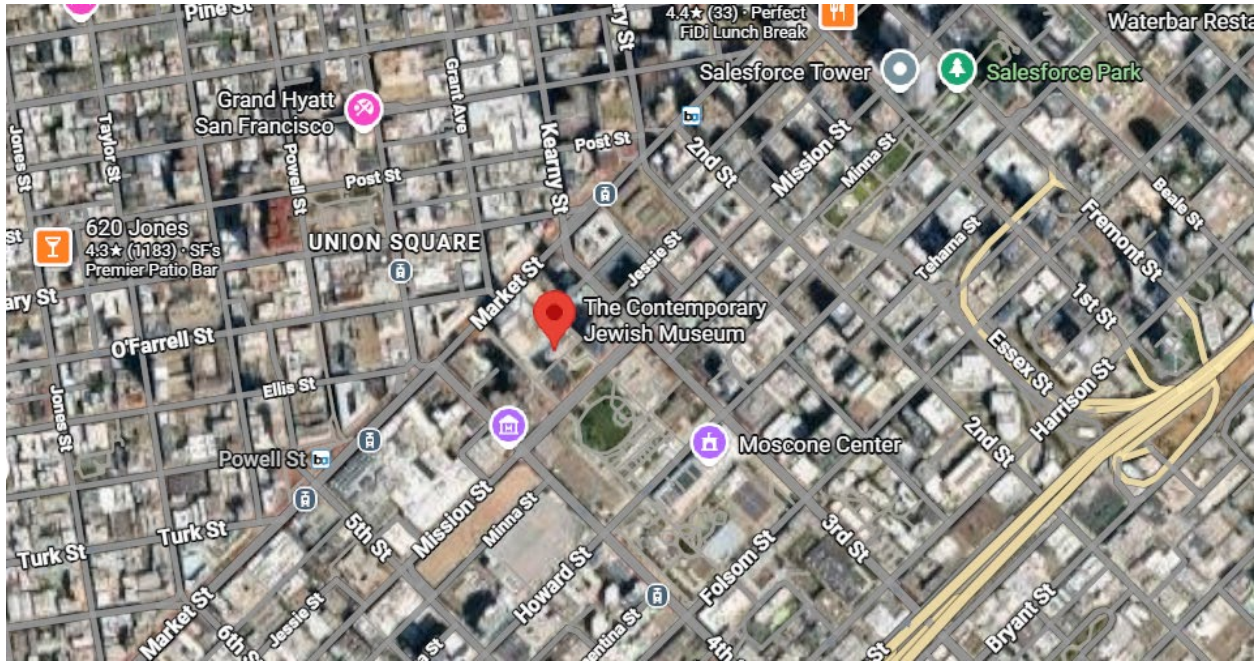
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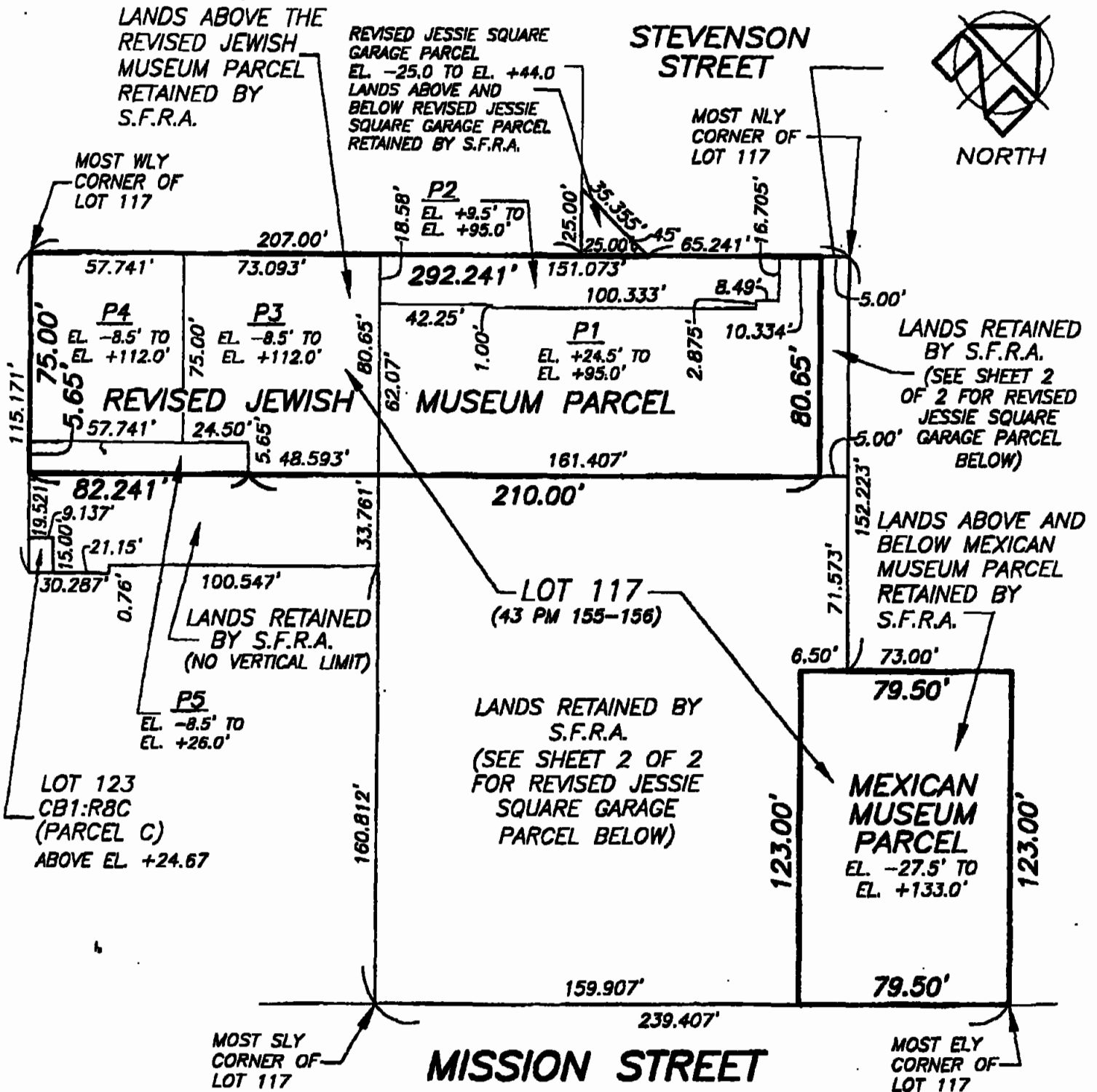


FOURTH

Attachment B

Contemporary Jewish Museum





**REVISED JEWISH MUSEUM,
MEXICAN MUSEUM
AND REVISED JESSIE SQUARE
GARAGE PARCELS**

SUBJECT:

ASSESSOR'S BLOCK 3706
SAN FRANCISCO, CA.

BY JP CHKD. BR DATE 3-17-05 SCALE 1"=50'± SHEET 1 OF 2 JOB NO. S-4503

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