

RESOLUTION NO. 18-2003

Adopted February 11, 2003

AUTHORIZING AN AGREEMENT FOR THE SALE AND PURCHASE OF REAL ESTATE WITH THE CITY AND COUNTY OF SAN FRANCISCO, A MUNICIPAL CORPORATION, IN AN AMOUNT NOT TO EXCEED \$900,000, FOR THE ACQUISITION OF THE MUNI SUBSTATION SITE LOCATED AT 1140 FILLMORE STREET/1345 TURK STREET; WESTERN ADDITION AREA A-2 REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*, (the "Law"), the Redevelopment Agency of the City and County of San Francisco (the "Agency") undertakes programs for the reconstruction and rehabilitation of blighted areas in the City and County of San Francisco (the "City").
2. The Agency is authorized pursuant to the Law to increase and maintain the affordability of the City's housing stock for very low-, low- and moderate-income households.
3. The City is the fee owner of the Muni Substation Site, a 33,027-square-foot parcel of land located at 1140 Fillmore Street and 1345 Turk Street (the "Property"). It is a portion of Lot 1 of Assessor's Block 0756 in the Western Addition Area A-2 Redevelopment Project Area.
4. Section 33220 of the Health and Safety Code allows the City to convey the Property to the Agency with or without consideration for the purpose of aiding and co-operating in the planning, undertaking, construction or operation of redevelopment projects.
5. The Property consists of two adjoining parcels of land, each under the separate jurisdiction of two different City agencies. The Municipal Transportation Agency ("MUNI") controls the Turk Street parcel (the "MUNI Parcel"), which is approximately 23,926 square feet. A vacant, two-story, wood-frame building that was formerly used as office/administrative space by Muni's security police is located on the MUNI Parcel. The San Francisco Arts Commission ("SFAC") controls the Fillmore Street parcel (the "SFAC Parcel"). It contains 9,101 square

feet and is the site of a former Muni substation building, a two-story unreinforced brick masonry structure, built in 1898 and designated as City Landmark Building No. 105.

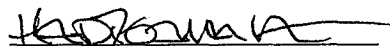
6. On September 7, 1999, the City's Public Transportation Commission, predecessor-in-interest to Muni, adopted Resolution No. 99-090 which authorized the transfer of MUNI Parcel to the SFAC, requiring the development of affordable housing and other public beneficial uses on the parcel.
7. On December 3, 2001, the SFAC adopted Resolution No. 1203-01-409 which, among other things, accepted jurisdictional control over the Muni parcel, and also authorized the transfer of both parcels, the MUNI and SFAC Parcels to the Agency, with the condition that the parcels will be used for affordable housing and other public beneficial uses.
8. The Agency now wishes to acquire the Property from the City for the development and construction of improvements for public beneficial uses, which include, but are not limited to, affordable housing on the MUNI parcel, and art, cultural and community uses on the SFAC parcel to serve the residents of the proposed development and the surrounding community. These uses are pursuant to the terms and provisions of an Agreement for the Sale and Purchase of Real Estate by and between the City and the Agency (the "Agreement").
9. The Director of City Planning has determined that the City's transfer of the Property contemplated by the Agreement is categorically exempt from the provisions of the California Environmental Quality Act ("CEQA"). Moreover, the Agency concurs that its acquisition of the Property is categorically exempt from CEQA. The rehabilitation and adaptive reuse of the existing substation structure as a cultural facility are categorically exempt from CEQA pursuant to the Class 1, 2, and 3 exemptions of the State CEQA Guidelines (14 CCR sections 15301-15303). In addition, demolition of the existing structure on the Muni Parcel and the development of the Muni Parcel for affordable housing will be carried out in accordance with CEQA requirements.
10. The City and the Agency have accepted the total sum of \$900,000 as the fair market value of the Property, based upon a valuation report conducted and completed by the City's Department of Real Estate.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco, that the Executive Director is authorized to execute the Agreement for the Sale and Purchase of Real Estate with the City and County of San Francisco, a municipal corporation, in an amount not to exceed \$900,000, for the acquisition of the MUNI Substation Site, located at 1140 Fillmore Street/1345 Turk

Street in the Western Addition Area A-2 Redevelopment Project Area, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:



for Bertha A. Ontiveros
Agency General Counsel