

RESOLUTION NO. 79-2003

Adopted May 27, 2003

AUTHORIZING AN AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY WITH THE CITY AND COUNTY OF SAN FRANCISCO, A MUNICIPAL CORPORATION, IN AN AMOUNT NOT TO EXCEED \$10,034,140, FOR THE ACQUISITION OF LOT 27, IN ASSESSOR'S BLOCK 3740, LOCATED ON SPEAR STREET BETWEEN HOWARD AND FOLSOM STREETS, FOR THE DEVELOPMENT OF UP TO 270 LOW- AND MODERATE-INCOME RENTAL HOUSING UNITS; TRANSBAY REDEVELOPMENT SURVEY AREA AND THE CITYWIDE TAX INCREMENT HOUSING PROGRAM

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 City is the fee title owner of the Spear Street site, a 34,057 square-foot parcel of land located on Spear Street between Howard and Folsom Streets (the "Property"), being all of Lot 27 of Assessor's Block 3740 in the Transbay Redevelopment Survey Area. The Property was a portion of the Embarcadero Freeway system (State Route 480) that was destroyed by the 1989 Loma Prieta earthquake.
3. Section 33220 of the Law 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.
4. Section 33391 of the Law allows the Agency to purchase or acquire real property within a survey area or for purposes of redevelopment.
5. On February 28, 1997, the City acquired the Property pursuant to Senate Bill 181, as codified in Section 72 of the Ca. Streets & Highways Code, which obligated the California State Department of Transportation ("Caltrans") to remove the damaged freeway structure and convey the former Route 480 right-of-way land to the City for no consideration.
6. The Agency now wishes to acquire the Property from the City for the development and construction of improvements for public beneficial uses, which

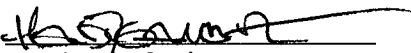
include, but are not limited to, affordable housing over ground-floor commercial facilities to serve the residents of the proposed development and the surrounding community.

7. 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") under Class 12 (surplus government property) of the CEQA Guidelines Section 15312. While the transfer of the Property has been determined to be categorically exempt, any future development of the Property will be subject to further environmental review.
8. The City and the Agency have accepted the total sum of \$10,034,140 as the fair market value of the Property, which equals the appraised fair market value (as of January 13, 2003) based upon a valuation report conducted and completed by the City's appraiser, Carneghi-Bautovich & Partners, Inc., less estimated soil remediation costs.

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 Purchase and Sale of Real Property with the City and County of San Francisco, a municipal corporation, in an amount not to exceed \$10,034,140 for the acquisition of Lot 27, in Assessor's Block 3740, located on Spear Street, between Howard and Folsom Streets, for the development of up to 270 low- and moderate-income rental housing units within the Transbay Redevelopment Survey Area and the Citywide Tax Increment Program, substantially in the form lodged with the Agency General Counsel, and to execute any and all documents necessary to effectuate the terms of the Agreement.

APPROVED AS TO FORM:


Bertha A. Ontiveros
Agency General Counsel