

1 [Agreement to Sell Tenny Place And Sloan Alley]
2 APPROVING AND AUTHORIZING AN AGREEMENT WITH KFRITZ INVESTORS, LLC, FOR
3 THE SALE OF REAL PROPERTY CONSISTING OF TENNY PLACE AND SLOAN ALLEY
4 WITHIN THE BLOCK BORDERED BY HOWARD, FREMONT, FIRST AND FOLSOM
5 STREETS, FOR A PURCHASE PRICE OF \$993,000; FINDING THAT COMPETITIVE
6 BIDDING IS IMPRACTICAL OR IMPOSSIBLE; ADOPTING FINDINGS PURSUANT TO THE
7 CALIFORNIA ENVIRONMENTAL QUALITY ACT; ADOPTING FINDINGS THAT THE
8 CONVEYANCE IS CONSISTENT WITH THE CITY'S GENERAL PLAN AND EIGHT
9 PRIORITY POLICIES OF CITY PLANNING CODE SECTION 101.1; AND AUTHORIZING
10 THE DIRECTOR OF PROPERTY TO EXECUTE DOCUMENTS, MAKE CERTAIN
11 MODIFICATIONS AND TAKE CERTAIN ACTIONS IN FURTHERANCE OF THIS
12 RESOLUTION.

13 WHEREAS, Wilson Cornerstone Properties, a California limited liability company (the
14 "Master Developer"), and its joint venture partners, propose the development of an office
15 project with associated retail uses and underground parking on portions of each of the four
16 corners of First and Howard Streets on parcels bordered by Folsom, Mission, Fremont and
17 Second Streets (the "First and Howard Project"). KFRITZ Investors, LLC, a California limited
18 liability company (the "Developer"), proposes to develop that portion of the First and Howard
19 Project within the block bordered by Howard, Fremont, First and Folsom Streets. Master
20 Developer has the option to purchase all of the rights of Developer; and,

21 WHEREAS, The First and Howard Project as planned requires the vacation of Tenny
22 Place and Sloan Alley within the block bordered by Howard, Fremont, First and Folsom
23 Streets (the "Property") and the purchase and development of the Property by Developer in
24 connection with the development of a portion of the First and Howard Project; and,

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1 WHEREAS, A copy of the proposed Agreement for Sale of Real Estate (the "Sale
2 Agreement") between the City, as seller, and the Developer, as buyer, is on file with the Clerk
3 of the Board of Supervisors in File No. 001107; and,

4 WHEREAS, The Sale Agreement provides or will provide for the conveyance of the
5 Property to Developer, subject to the satisfaction of certain conditions, including the payment
6 of a purchase price of \$993,000, with ten percent payable upon execution of the Sale
7 Agreement and the balance payable upon the closing; and,

8 WHEREAS, The Director of Property has determined, based on an independent MAI
9 appraisal, that the purchase price reflects the fair market value of the Property; and,

10 WHEREAS, On January 13, 2000, the City Planning Commission, by Motion
11 No. 14957, certified the Final Environmental Impact Report for the First and Howard Project
12 ("Final EIR") as accurate, adequate and objective and in compliance with the California
13 Environmental Quality Act ("CEQA"); and,

14 WHEREAS, This Board of Supervisors has reviewed and considered the information
15 contained in the Final EIR; and,

16 WHEREAS, For purposes of compliance with CEQA, the Planning Commission, by
17 Motion Nos. 15005 and 15006, dated March 3, 2000, has adopted findings with respect to the
18 Final EIR as required by CEQA, which findings are on file with the Clerk of the Board of
19 Supervisors under File No. 001107, and which findings are incorporated herein by this
20 reference; and,

21 WHEREAS, The Director of Planning, by letter dated April 14, 2000, found that the
22 Project, including the conveyance of the Property contemplated by the Sale Agreement, is
23 consistent with the City's General Plan, and with the Eight Priority Policies of City Planning
24 Code Section 101.1, which letter is on file with the Clerk of the Board of Supervisors under
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SUPERVISOR YAKI
BOARD OF SUPERVISORS

1 File No. 001107, and which letter is incorporated herein by this reference; now,
2 therefore, be it

3 RESOLVED, That the Board of Supervisors hereby adopts and incorporates the
4 findings under CEQA contained in Planning Commission Motion Nos. 15005 and 15006, a
5 copy of which are on file with the Clerk of the Board in File No. 001107, by reference as
6 though such findings were fully set forth in this resolution; and, be it

7 RESOLVED, That the Board of Supervisors hereby finds that there is no need to
8 prepare a subsequent EIR because there have been no substantial project changes, no
9 substantial changes to project circumstances and no new information of substantial
10 importance that would change the conclusions set forth in the Final EIR.

11 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the Sale
12 Agreement is consistent with the General Plan, and with the eight Priority Policies of Planning
13 Code Section 101.1 for the same reasons as set forth in the letter of the Director of Planning,
14 dated April 14, 2000, and hereby incorporates such findings by reference as though fully set
15 forth in this resolution; and, be it

16 FURTHER RESOLVED, That in accordance with the recommendations of the Director
17 of Property, the Board of Supervisors hereby approves the Sale Agreement and the
18 transaction contemplated thereby and authorizes and urges the Director of Property to
19 execute the Sale Agreement, in the name and on behalf of the City, in substantially the form
20 of such agreement presented to this Board; and, be it

21 FURTHER RESOLVED, That in consideration of the conveyance of the Property the
22 Developer shall pay to the City a purchase price of \$993,000, ten percent of which shall be
23 payable upon execution and delivery of the Sale Agreement and the balance of which shall be
24 payable upon the closing of the conveyance of the Property to the Developer; and, be it

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SUPERVISOR YAKI
BOARD OF SUPERVISORS

1 FURTHER RESOLVED, That it is in the City's best interest to convey the Property
2 directly to the Developer, that the public interest or necessity demands, or will not be
3 inconvenienced by, the sale of the Property directly to the Developer pursuant to the Sale
4 Agreement, and that competitive bidding would be impractical or impossible in this instance
5 because the Property is not independently developable and therefore, Developer is the only
6 practicable purchaser of the Property; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
8 Property to enter into any additions, amendments or other modifications to the Sale
9 Agreement (including, without limitation, the attached exhibits) that the Director of Property
10 determines are in the best interests of the City, do not decrease the sales price for the
11 Property or otherwise materially increase the obligations or liabilities of the City, and are
12 necessary or advisable to complete the transaction contemplated in the Sale Agreement and
13 effectuate the purpose and intent of this resolution, such determination to be conclusively
14 evidenced by the execution and delivery by the Director of Property of the Sale Agreement
15 and any amendments thereto; and, be it

16 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,
17 in the name and on behalf of the City and County, to execute and deliver the deed to the
18 Property to the Developer upon the closing in accordance with the terms and conditions of the
19 Sale Agreement, and to take any and all steps (including, but not limited to, the execution and
20 delivery of any and all certificates, agreements, notices, consents, escrow instructions, closing
21 documents and other instruments or documents) as the Director of Property deems necessary
22 or appropriate in order to consummate the conveyance of the Property pursuant to the Sale
23 Agreement, or to otherwise effectuate the purpose and intent of this resolution, such
24 determination to be conclusively evidenced by the execution and delivery by the Director of
25 Property of any such documents; and, be it

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BOARD OF SUPERVISORS

1 FURTHER RESOLVED, That the approval under this resolution shall be operative
2 upon the effectiveness of the Ordinance providing for the summary vacation of the Property
3 by the Board of Supervisors.
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9 RECOMMENDED:

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11 _____
12 Anthony J. DeLucchi
13 Director of Property
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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 001107

Date Passed:

Resolution approving and authorizing an agreement with Kfritz Investors, LLC, for the sale of real property consisting of Tenny Place and Sloan Alley within the block bordered by Howard, Fremont, First and Folsom Streets, for a purchase price of \$993,000; finding that competitive bidding is impractical or impossible; adopting findings pursuant to the California Environmental Quality Act; adopting findings that the conveyance is consistent with the city's General Plan and Eight Priority Policies of City Planning Code Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution.


July 17, 2000 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Leno, Newsom, Teng,
Yaki, Yee

Excused: 1 - Kaufman

File No. 001107

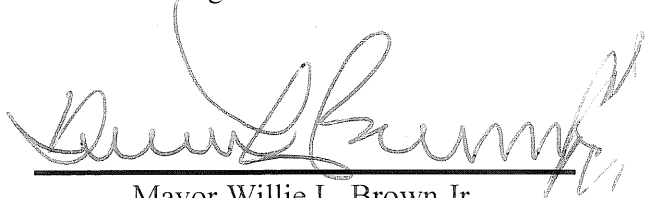
I hereby certify that the foregoing Resolution was **ADOPTED** on July 17, 2000 by the Board of Supervisors of the City and County of San Francisco.



Jean Lum
Acting Clerk of the Board

JUL 28 2000

Date Approved



Mayor Willie L. Brown Jr.