

1 [Old Mint; Transferable Development Rights].
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3 **Resolution authorizing the director of property for the City and County of San**
4 **Francisco to execute and cause to be recorded a Certificate of Transfer and to take**
5 **such other actions as may be necessary to effectuate the transfer of development**
6 **rights from the Old Mint pursuant to Planning Code Section 128.**
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8 WHEREAS, On April 27, 2003 the Board of Supervisors approved Ordinance No. 77-
9 04 which, among other things, amended San Francisco Planning Code Section 128 to provide
10 that a lot zoned P (public) may be a Transfer Lot for purposes of conveying Transferable
11 Development Rights ("TDR"), provided that certain criteria outlined in Section 128(a) (4) are
12 satisfied; and

13 WHEREAS, The City and County of San Francisco has entered into an Exclusive
14 Negotiating Rights agreement ("ENA") with the San Francisco Museum and Historical Society
15 ("Museum") to negotiate a 66-year lease for the historic rehabilitation and reuse of the old
16 U.S. Mint Building (the "Old Mint") located at 88 Fifth Street (the "Project"); and

17 WHEREAS, In connection with the Project, the City and County of San Francisco
18 transferred 253,195 gross square feet of TDR from the Old Mint site (the "Property") to 888
19 Howard Street Associates LLC in order to finance certain predevelopment and/or
20 development costs, including those related to rehabilitation and restoration of the building in
21 accordance with the Secretary of Interior standards; and

22 WHEREAS, In connection with the Project, the City and County of San Francisco
23 anticipates the potential transfer of the remaining 14,533 gross square feet of TDR from the
24 Property in order to finance certain predevelopment and/or development costs, including
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1 those related to the rehabilitation and restoration of the building in accordance with the
2 Secretary of Interior standards; and

3 WHEREAS, The Museum and the Fortress Property Group LLC entered into that
4 certain Agreement Between the Fortress Property Group LLC and the San Francisco Museum
5 and Historical Society dated March 17, 2006, to which the City is a third party beneficiary
6 ("Agreement"); and

7 WHEREAS, The Agreement outlines the terms and conditions under which Fortress
8 Property Group LLC would acquire 14,533 gross square feet of TDR from the Property; and

9 WHEREAS, Under the terms of Section 128, the transfer of TDR from the Property to
10 an eligible transferee or an eligible Development Lot requires certain administrative actions by
11 the Director of Property, including, but not limited to recording of a Certificate of Transfer
12 against the Property, setting forth among other things respectively, the amount of TDR
13 available for transfer, and stating that the transfer of TDR permanently reduces the
14 development potential of the Property by the amount of TDR transferred; and

15 WHEREAS, It is in the interest of the City to implement the provisions of Section 128
16 as they relate to the Property to effectuate rehabilitation and restoration of the Old Mint; now,
17 therefore, be it

18 RESOLVED, That, provided that the criteria and requirements of Section 128 with
19 respect to transfer of TDR have otherwise been met, the Board of Supervisors authorizes the
20 Director of Property to execute and record the Certificate of Transfer and to take such other
21 actions as reasonably required under Section 128 to effectuate the transfer of 14,533 gross
22 square feet of TDR from the Property to an eligible transferee or an eligible Development Lot
23 after the following conditions have been satisfied to the satisfaction of the Director of Property
24 after consultation with the Mayor's Office of Economic and Workforce Development: (i) the
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1 ENA or a disposition and development agreement for the Property must be in full force and
2 effect; (ii) the Museum must provide the Director of Property with evidence satisfactory to the
3 Director of Property that the Museum has received \$363,325 from Fortress Property Group
4 LLC in payment for the transfer of the 14,533 gross square feet of TDR (the "TDR Funds");
5 (iii) the Museum must provide the Director of Property with written evidence satisfactory to the
6 Director of Property that the TDR Funds will be deposited into an escrow account approved by
7 the Director of Property then placed in a segregated bank account; and (iv) the Museum must
8 have provided the Director of Property with such other reasonable documentation or
9 information to satisfy the Director of Property that the TDR Funds will be used solely for the
10 predevelopment and development of the Old Mint as approved by the Director of Property and
11 the Director of the Mayor's Office of Economic and Workforce Development; and be it
12 FURTHER RESOLVED That the Director of Property shall monitor the expenditure of TDR
13 Funds by requiring the Museum to (a) each month after adoption of this Resolution, provide a
14 monthly bank statement for such segregated bank account to the Director of Property; and (b)
15 obtain the written approval from the Director of Property for the expenditure of all TDR Funds
16 received after the adoption of this Resolution. The Director of Property, in consultation with
17 the Mayor's Office of Economic and Workforce Development shall work with the Museum to
18 develop a TDR Funds expenditure plan pursuant to which all City approvals for and all
19 expenditures of TDR Funds by the Museum shall be made.

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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: 060385

Date Passed:

Resolution authorizing the director of property for the City and County of San Francisco to execute and cause to be recorded a Certificate of Transfer and to take such other actions as may be necessary to effectuate the transfer of development rights from the Old Mint pursuant to Planning Code Section 128.

March 28, 2006 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick,
Mirkarimi, Peskin, Sandoval

Excused: 1 - Ammiano

File No. 060385

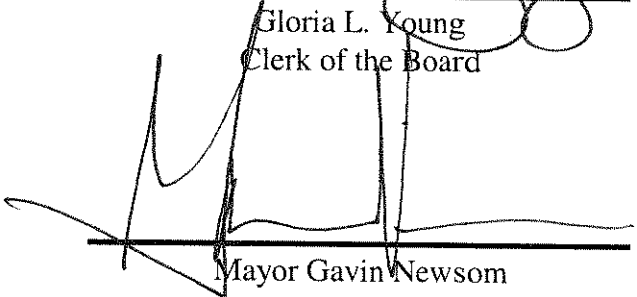
I hereby certify that the foregoing Resolution was ADOPTED on March 28, 2006 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

03/30/06

Date Approved



Mayor Gavin Newsom