Resolution authorizing the Director of Property to sell up to 550,000 gross square feet of remaining transferable development rights ("TDR") previously authorized from the War Memorial Complex, located at 301 and 401 Van Ness Avenue, at fair market value; and to execute and record Certificates of Transfer and to take such additional actions as may be necessary to effectuate one or more TDR transfers in accordance with Planning Code, Section 128.

WHEREAS, On April 27, 2003, the Board of Supervisors approved Ordinance No. 77-04 which, among other things, amended Planning Code, Section 128, to provide that a lot zoned P (public) may be a Transfer Lot for purposes of conveying Transferable Development Rights ("TDR"), provided that certain criteria outlined in Section 128(a)(4) are satisfied, and as further amended in Ordinance No. 87-07, approved by the Board of Supervisors on April 27, 2007; and

WHEREAS, On May 10, 2007, the War Memorial Board of Trustees adopted Resolution No. 07-26, authorizing the City’s Director of Property to negotiate and enter into contracts for the sale of TDR from the War Memorial Complex, with the net proceeds from any such sales deposited to a segregated, interest bearing account established by the City’s Controller as a trust asset specifically for the War Memorial Complex; and

WHEREAS, On January 28, 2014, the Board of Supervisors approved Resolution No. 16-14 ("TDR Resolution"), authorizing the Director of Property to (i) transfer up to 1,100,000 gross square feet of TDR; and (ii) sell 550,000 gross square feet of those TDR ("First TDR Tranche"), from the War Memorial Complex (Assessor’s Parcel Block No. 0786A, Lot No. 001) at 301 and 401 Van Ness Avenue (the “Property”); and
WHEREAS, Upon sale of the First TDR Tranche, the TDR Resolution requires the Director of Property to submit supplemental enabling legislation to the Board of Supervisors to authorize the sale of the remaining 550,000 square feet of TDR ("Second TDR Tranche"); and

WHEREAS, Having sold the First TDR Tranche, the Director of Property, with recommendation from the Managing Director of the War Memorial Complex, seeks authorization to sell the Second TDR Tranche, at a minimum sales price set at fair market value; and

WHEREAS, Under the terms of Planning Code, Section 128, the transfer of TDR from the Property to an eligible transferee or an eligible Development Lot requires certain administrative actions by Director of Property, including, but not limited to, the recording of a Certificate of Transfer against the Property that states the amount of TDR available for transfer, and that the transfer of TDR permanently reduces the development potential of the Property by the amount of TDR transferred; and

WHEREAS, The proposed Second TDR Tranche transfer would involve soliciting interested buyers, negotiating applicable TDR Transfer Agreements (the “Agreements”), and establishing a market value transfer price of the TDR; and

WHEREAS, It is in the interest of the City to sell the Second TDR Tranche from the Property to effectuate rehabilitation and restoration of the War Memorial Complex, which may include payment of debt service in furtherance of said rehabilitation and restoration; now, therefore, be it

RESOLVED, That, provided that the criteria and requirements of Planning Code, Section 128, with respect to transfer of TDR are met, the Board of Supervisors authorizes the Director of Property to execute and record the Certificate of Transfer and to negotiate and execute Agreements and to take such other actions as reasonably required under Planning Code, Section 128, to effectuate the transfer of the Second TDR Tranche of up to 550,000

Mayor Breed; Supervisor Brown
BOARD OF SUPERVISORS
gross square feet of TDR from the Property to buyers on a rolling basis, upon satisfaction of
the following conditions: (i) buyer has executed an Agreement (or Agreements), in form
acceptable to the Director of Property and City Attorney, acquiring TDR at no less than fair
market value; and (ii) the Agreements are acceptable to the Managing Director of the War
Memorial Complex; and, be it

FURTHER RESOLVED, All funds from the sale of TDRs from the Property shall be
placed into the segregated account established by the Controller as a trust asset to be used
solely for the rehabilitation and restoration of the War Memorial Complex, (which may include
payment of debt service in furtherance of said rehabilitation and restoration of the War
Memorial Complex) in accordance with the Secretary of the Interior Standards; and, be it

FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,
in the name and of behalf of the City and County, to execute and deliver the title to TDR to the
buyer upon the closing of escrow in accordance with the terms and conditions of the
applicable Agreement(s) as negotiated, and to take any all steps (including, but not limited to,
the execution and delivery of any and all certificates, agreements, notices, consents, escrow
instructions, closing documents and other instruments or documents) as the Director of
Property deems necessary or appropriate, in consultation with the City Attorney, to
consummate the sale of the TDR, or to otherwise effectuate the purpose and intent of this
Resolution, such determination to be conclusively evidenced by the execution and delivery by
the Director of Property of any such documents; and, be it

FURTHER RESOLVED, That the Director of Property will report to the Capital Planning
Committee and the Board of Supervisors’ Budget & Finance Committee at the end of each
quarter to report and update the results of sales of City owned TDR, provided that if no sales
take place in the previous quarter, no such report is required; and, be it
FURTHER RESOLVED, That the minimum TDR sale price of $25 per square foot is affirmed; and that in addition to the quarterly reports, the Director of Property will provide an annual written report to the Board of Supervisors detailing the sale of TDR’s.
RECOMMENDED:

[Signature]

Director of Property
Resolution authorizing the Director of Property to sell up to 550,000 gross square feet of remaining transferable development rights ("TDR") previously authorized from the War Memorial Complex, located at 301 and 401 Van Ness Avenue, at fair market value; and to execute and record Certificates of Transfer and to take such additional actions as may be necessary to effectuate one or more TDR transfers in accordance with Planning Code, Section 128.

September 11, 2019 Budget and Finance Committee - CONTINUED

September 18, 2019 Budget and Finance Committee - AMENDED

September 18, 2019 Budget and Finance Committee - RECOMMENDED AS AMENDED

September 24, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190850

I hereby certify that the foregoing Resolution was ADOPTED on 9/24/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved

10/4/19