[Real Property Sale Agreement - State of California - Portions of SFPUC Parcel No. 65 - State Route 84 / Interstate 680 Widening Project in Alameda County - $152,952]

Resolution 1) approving and authorizing the General Manager of the San Francisco Public Utilities Commission ("SFPUC") and/or the Director of Property, on behalf of the City and County of San Francisco ("City"), to sell certain real property located along State Route 84 and Interstate 680 in unincorporated Alameda County to the State of California (Parcel No. 65) for public highway improvements, acting through its California Department of Transportation ("Caltrans"), and the Alameda County Transportation Commission ("Alameda CTC" and together with Caltrans, the "Buyers") for the amount of $152,952; 2) approving and authorizing an Agreement for Sale of Real Estate ("Sale Agreement") for the sale of the Property to the Buyers, which includes a liquidated damages clause in case of default by the City; 3) authorizing the SFPUC General Manager and/or City's Director of Property to execute the Sale Agreement, make certain modifications, and take certain actions in furtherance of this Resolution and the Sale Agreement, as defined herein; 4) adopting findings declaring that the real property is "surplus land" and "exempt surplus land" pursuant to the California Surplus Lands Act; 5) determining that a competitive bidding process for the conveyance of the Property is impractical and not in the public interest, in accordance with Section 23.3 of the Administrative Code; 6) affirming the Planning Department's determination under the California Environmental Quality Act ("CEQA") and adopting the findings required by Section 15091 of the CEQA Guidelines previously adopted by Caltrans in conjunction with the Project; and 7) adopting the Planning Department's findings that the Sale Agreement, and the transaction contemplated therein, is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.
WHEREAS, The City owns certain real property under the jurisdiction of the San Francisco Public Utilities Commission (SFPUC) located along State Route 84 ("SR-84") and Interstate 680 ("I-680") in the unincorporated Town of Sunol, Alameda County, consisting of underutilized unimproved portions of SFPUC Parcel 65, also designated as portions of Assessor's Parcel Block Nos. 96-375-6-8, 96-375-6-11, 96-375-7-3, and 96-375-12-2; and

WHEREAS, Buyers propose to widen and conform SR-84 to expressway standards, improve the SR-84/I-680 interchange ramps, and extend the existing southbound I-680 HOV/express lane ("Project"); and

WHEREAS, As a component of the Project, Caltrans desires to acquire from City approximately 257,182 square feet of unimproved agricultural land, approximately 99,638 square feet of easement area, and 1,609.09 linear feet of abutter's rights; and

WHEREAS, As another Project component, Caltrans desires to purchase approximately 56,175 square feet of electrical utility easements to convey to Pacific Gas & Electric Company ("PG&E") to accommodate the relocation of PG&E electrical utilities dislocated by the Project; and

WHEREAS, As another Project component, the Alameda CTC seeks to purchase from City an approximately a 5,371 square-foot portion of Assessor's Parcel Block No. 96-375-6-11, and a 30,941 square foot non-exclusive access easement located within Assessor's Parcel Block No. 96-375-12-2; and

WHEREAS, The fee interests, easement areas, and abutter's rights that City proposes to sell to Buyers are collectively referred to herein as the "Property"; and

WHEREAS, Caltrans has the authority to exercise the power of eminent domain and compel City to sell the Property; and
WHEREAS, Buyers and City recognize the expense, time, effort, and risk to both parties in determining the compensation for acquiring the Property by eminent domain litigation, and to avoid such litigation, Buyers and City desire to enter into the Agreement for Sale of Real Estate ("Sale Agreement"); and

WHEREAS, The SFPUC has no utility use for the unimproved Property, which was deemed underutilized per an SFPUC statement of underutilization for the Real Property dated May 18, 2021, signed by the Assistant General Managers of the Water, Wastewater, and Power Enterprises; and

WHEREAS, On July 13, 2021, per SFPUC Commission Resolution 21-0110, the SFPUC Commission declared the Property surplus to its utility needs pursuant to Charter Section 8B.121(e), and approved the terms and conditions of the Sale Agreement, subject to approval by the Board of Supervisors; and

WHEREAS, On July 13, 2021, per SFPUC Commission Resolution 21-0110, the SFPUC Commission declared the Property as "surplus land," as defined in California Government Code Section 55421(b), because it is owned in fee simple by City and not necessary for City's use; and

WHEREAS, On July 13, 2021, per SFPUC Commission Resolution 21-0110, the SFPUC Commission declared the Property as "exempt surplus land," as defined in California Government Code, Section 55421(f)(1)(D), because it is surplus land that the City is transferring to another local agency and a state agency for the agencies' use; and

WHEREAS, Per Section 23.3 of the Administrative Code, the City may convey the Property to Buyers without a competitive bidding process if the Board of Supervisors determines a competitive process "is impractical, impossible, or is otherwise not in the public interest, including, for example only and not by way of limitation, when the Real Property is not capable of independent development, will be exchanged for other Real Property, or when
the Board determines that a negotiated direct Conveyance of the Real Property will further a public purpose;” and

WHEREAS, On July 13, 2021, per SFPUC Commission Resolution 21-0110, the SFPUC Commission determined that, in this case, a competitive bidding process is impractical and otherwise not in the public interest because the sale of the Property to Buyers will avoid the expense, time, effort, and risk of eminent domain litigation and will support the construction of public highway improvements, and because the Property’s location and dimensions makes use by any other entity impractical; and

WHEREAS, The SFPUC intends to sell the Property to Buyers on an “as-is with all faults” basis; and

WHEREAS, Buyers’ offer of fair and just compensation in the sum of $152,952 for their purchase of the Property, including electrical utility easements that will be conveyed to PG&E, was made in accordance with California Government Code, Section 7267.2, and the Buyers’ appraisals of value conformed to Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice; and

WHEREAS, On June 17, 2021, City’s Director of Property reviewed and concurred with Caltrans’ conclusion that the value of the Property is $152,952; and

WHEREAS, Acting as the Lead Agency under California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”), Caltrans (in cooperation with the Alameda CTC) prepared the SR 84 Expressway Widening and SR 84/I-680 Interchange Improvements Project Environmental Impact Report/Environmental Assessment (“EIR/EA”) with Findings of No Significant Impact (“FONSI”), pursuant to the provisions of CEQA and NEPA; and Caltrans certified the EIR on May 30, 2018 (State Clearinghouse Number 2016052033), and a Notice of Determination has been published for compliance with CEQA, and Caltrans has issued a FONSI for compliance with NEPA; and
WHEREAS, Following certification, design changes were incorporated into the Project, which required a subsequent review and revalidation of the approved EIR/EA and FONSI; and additional environmental review was conducted, necessary documentation provided, and the revalidation process completed, and Caltrans provided concurrence with the previous NEPA/CEQA conclusion and determined in its NEPA/CEQA Revalidation Form dated July 13, 2020, that the 2018 Final EIR/EA and FONSI remains valid; and

WHEREAS, The SFPUC is a Responsible Agency for the Project under CEQA because a portion of the Project requires SFPUC consent for Buyers’ use and purchase of SFPUC right-of-way; and

WHEREAS, The SFPUC has reviewed the Final EIR/EA and FONSI and NEPA/CEQA Revalidation Form and determined that SFPUC’s issuance of a Sale Agreement for the Project is within the scope of the Project’s CEQA approval and that these documents are adequate for SFPUC’s use in issuing the Sale Agreement for the Project; and the EIR/EA and FONSI, the NEPA/CEQA Revalidation Form, CEQA Findings, and other Project materials that are part of the record of this approval are available for public review at the SFPUC offices, Real Estate Services Division, 525 Golden Gate Avenue, 10th Floor, San Francisco, CA; and

WHEREAS, Since Caltrans approved the Project and completed the Revalidation of the EIR/EA and FONSI, there have been no substantial changes in the Project or changes in Project circumstances that would result in new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the EIR/EA and FONSI; and

WHEREAS, Buyers have adopted the mitigation measures included in the EIR/EA and FONSI and set forth in the mitigation program and have assumed responsibility for their implementation; and the SFPUC has no direct authority or responsibility with respect to the
Project other than to enable the Project sponsors through issuance of the Sale Agreement to carry out the proposed action; and

WHEREAS, The Planning Department, by letter dated May 5, 2021, which letter is on file with the Clerk of the Board of Supervisors under File No. 211001 and which letter is incorporated herein by this reference, found that the conveyance of the Property to Buyers is consistent with the City’s General Plan, and with the eight priority policies of Planning Code, Section 101.1 and that the Project received CEQA clearance under the EIR/EA; and

WHEREAS, A copy of the Sale Agreement is on file with the Clerk of the Board of Supervisors under File No. 211001, which is incorporated herein by this reference and is considered part of the record before this Board; and

WHEREAS, The SFPUC has by its Resolution No. 21-0110, dated July 13, 2021, a copy of which is on file with the Clerk of the Board in File No. 211001, approved the Sale Agreement and authorized the SFPUC General Manager to execute the necessary conveyance documents for the sale of the Property, including the Sale Agreement, upon approval from the Board of Supervisors and Mayor; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby adopts the findings contained in the recitals set forth above as if set forth fully herein, and also adopts the findings required by Section 15091 of the CEQA Guidelines previously adopted by Caltrans in conjunction with Caltrans’ approval of the Project; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby finds, in consideration of the foregoing, that the Property is “surplus land,” as defined in California Government Code, Section 55421(b) because it is owned in fee simple by City and not necessary for City’s use; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby finds, in consideration of the foregoing, that the Property is “exempt surplus land,” as defined in Government Code,
Section 54221(f)(1)(D) because it is surplus land that the City is transferring to another local
agency and a state agency for the agencies' use; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby determines, in
accordance with Section 23.3 of the Administrative Code, that a competitive bidding process
for the conveyance of the Property is impractical and is otherwise not in the public interest
because the sale of the Property to the Buyers will avoid the expense, time, effort, and risk of
eminent domain litigation and will support the construction of public highway improvements
and because the Property's location and dimension makes use by any other entity impractical;
and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby finds that the
conveyance of the Property to Buyers is consistent with the General Plan, and with the eight
priority policies of City Planning Code, Section 101.1 for the same reasons as set forth in the
letter of the Director of Planning dated May 5, 2021, and hereby incorporates such findings as
though fully set forth in this Resolution; and, be it

FURTHER RESOLVED, That, in accordance with the recommendation of the SFPUC,
the Board of Supervisors approves and authorizes the SFPUC to sell the Property to Buyers
for $152,952; and, be it

FURTHER RESOLVED, That, in accordance with the recommendation of the SFPUC,
the Board of Supervisors approves the Sale Agreement presented to the Board, including the
liquidated damages clause in case of default by City, and approves and authorizes the
SFPUC General Manager and/or City's Director of Property to take all actions necessary or
appropriate to sell the Property and effectuate the Sale Agreement and this Resolution; and,
be it

FURTHER RESOLVED, That the SFPUC General Manager and/or City's Director of
Property is hereby authorized and urged in the name and on behalf of the City and County, to
execute the Sale Agreement for the sale of the Property to Buyers in accordance with the
terms and conditions of the Sale Agreement, 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
SFPUC General Manager and/or City's Director of Property deems necessary or appropriate
pursuant to the Sale Agreement, or to otherwise effectuate the purpose and intent of this
Resolution, such determination to be conclusively evidenced by the execution and delivery by
the SFPUC General Manager and/or City's Director of Property of any such documents; and,
be it

FURTHER RESOLVED, That in accordance with the recommendation of the SFPUC
General Manager, the Board of Supervisors hereby ratifies, approves, and authorizes all
actions heretofore taken by any City official in connection with the Sale Agreement and the
transaction contemplated thereby; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the SFPUC General
Manager and/or City's Director of Property, in consultation with the Office of the City Attorney,
to enter into any additions, amendments, or other modifications to the Sale Agreement
(including, without limitation, the exhibits and ancillary agreements attached to the Sale
Agreement), that the SFPUC General Manager and/or City's Director of Property determine
are in the best interests of the City, do not materially decrease the benefits to the City with
respect to the Property, do not materially increase the obligations or liabilities of either SFPUC
or the City, are necessary or advisable to complete the transaction contemplated in the Sale
Agreement, effectuate the purpose and intent of this Resolution, such determination to be
conclusively evidenced by the execution and delivery by the SFPUC General Manager and/or
City's Director of Property of any such additions, amendments, or other modifications, and are
in compliance with all applicable laws, including the City Charter; and, be it
FURTHER RESOLVED, That within thirty (30) days after the Closing (as defined in the Sale Agreement), the SFPUC shall provide any applicable final contracts to the Clerk of the Board for inclusion into the official file.

RECOMMENDED:

/s/

Andrico Penick
Director of Property
Resolution 1) approving and authorizing the General Manager of the San Francisco Public Utilities Commission ("SFPUC") and/or the Director of Property, on behalf of the City and County of San Francisco ("City"), to sell certain real property located along State Route 84 and Interstate 680 in unincorporated Alameda County to the State of California (Parcel No. 65) for public highway improvements, acting through its California Department of Transportation ("Caltrans"), and the Alameda County Transportation Commission ("Alameda CTC" and together with Caltrans, the "Buyers") for the amount of $152,952; 2) approving and authorizing an Agreement for Sale of Real Estate ("Sale Agreement") for the sale of the Property to the Buyers, which includes a liquidated damages clause in case of default by the City; 3) authorizing the SFPUC General Manager and/or City's Director of Property to execute the Sale Agreement, make certain modifications, and take certain actions in furtherance of this Resolution and the Sale Agreement, as defined herein; 4) adopting findings declaring that the real property is "surplus land" and "exempt surplus land" pursuant to the California Surplus Lands Act; 5) determining that a competitive bidding process for the conveyance of the Property is impractical and not in the public interest, in accordance with Section 23.3 of the Administrative Code; 6) affirming the Planning Department's determination under the California Environmental Quality Act ("CEQA") and adopting the findings required by Section 15091 of the CEQA Guidelines previously adopted by Caltrans in conjunction with the Project; and 7) adopting the Planning Department's findings that the Sale Agreement, and the transaction contemplated therein, is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

October 27, 2021 Budget and Finance Committee - RECOMMENDED

November 02, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton
I hereby certify that the foregoing Resolution was ADOPTED on 11/2/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

11/12/21
Date Approved