[Agreement of Purchase and Sale for Real Estate for the Purchase of Real Property and Improvements Located at 190 9<sup>th</sup> Street, San Francisco]

Resolution authorizing the execution, delivery and performance of an Agreement of Purchase and Sale for Real Estate (along with all exhibits and schedules, the "Purchase Agreement"), between the City and County of San Francisco (the "City"), and Ninth and Howard LLC, a California limited liability company (the "Seller"), (including certain indemnities contained therein), for the purchase of real property and improvements located at 190 9<sup>th</sup> Street, San Francisco, for use as the Support Services Center of the San Francisco Public Library; adopting findings under the California Environmental Quality Act; and adopting findings that the conveyance is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1; PLACING \$250,000 ON RESERVE.

WHEREAS, In November of 2000, the voters of the City passed a general obligation bond for the renovation and acquisition of land and improvements for the City's Public Library system; and,

WHEREAS, The Seller owns the real property and improvements consisting of an approximately 17,000 square foot parcel of land and a three-story building containing approximately 42,292 square feet, located at 190 9<sup>th</sup> Street, San Francisco, California (the "Property") and desires to sell the Property; and,

WHEREAS, On September 19, 2002, by Resolution the San Francisco Public Library Commission unanimously endorsed and recommended to the Board of Supervisors approval of the purchase of the Property from the Seller; and,

WHEREAS, There are sufficient bond funds available to pay for the purchase of the Property; and,

WHEREAS, In order to consummate the purchase of the Property, the Board of Supervisors desires to authorize the execution, delivery and performance of the Purchase Agreement (a copy of the proposed Purchase Agreement is on file with the Clerk of the Board of Supervisors); and,

WHEREAS, the purchase price for the Property is \$8,500,000, and an additional \$60,000 for certain personal property and furniture incident and related to the Property (together, the "Purchase Price") has determined by the Director of Property to reflect the fair market value of the Property; and,

WHEREAS, Pursuant to the Purchase Agreement, the City will have the opportunity to review information concerning the Property and to terminate the Purchase Agreement if the City is dissatisfied with the results of its due diligence review; and,

WHEREAS, The Purchase Agreement includes a limited indemnification by the City in connection with the City's entry onto the Property for purposes of conducting due diligence investigations, inquiries and studies; and,

WHEREAS, The Purchase Agreement requires the City to assume an existing lease for a portion of the property between the Seller and Juma Ventures, a California nonprofit public benefit corporation ("Juma"), dated August 3, 2001, as the same will be amended by a certain termination agreement (the "Termination Agreement"). The Termination Agreement will be agreed upon and entered into by the Seller and Juma prior to the closing of the transactions contemplated by the Purchase Agreement (the "Closing"), and the form of such Termination Agreement shall be approved by the City in its sole discretion as a condition to Closing; and,

WHEREAS, Pursuant to the Purchase Agreement, the Termination Agreement shall provide that the lease with Juma shall terminate, and that Juma must completely vacate the Property, not more than 120 days after the Closing; and,

WHEREAS, Pursuant to the Purchase Agreement, at the Closing, the City will holdback the amount of \$500,000 from the payment of the Purchase Price to ensure the timely and complete vacation of the Property by Juma; and,

WHEREAS, On September 10, 2002, the Department of City Planning adopted and issued a General Plan Consistency Finding, a copy of which is on file with the Clerk of the Board, wherein the Department of City Planning found that the acquisition of the Property pursuant to the Purchase Agreement is consistent with the City's General Plan and with the Eight Priority Policies under Planning Code Section 101.1; and,

WHEREAS, On September 10, 2002, the Department of City Planning also found that the Property is categorically exempt from Environmental Review a copy of which finding is on file with the Clerk of the Board; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby adopts the findings contained in the letter from the Department of City Planning dated September 10, 2002, regarding the California Environmental Quality Act, and hereby incorporates such findings by reference as though fully set forth in this Resolution; and be it,

FURTHER RESOLVED, That the Board of Supervisors hereby finds that the purchase of the Property, as contemplated by the Purchase Agreement is consistent with the General Plan, and with the eight Priority Policies of Planning Code Section 101.1 for the same reasons as set forth in the letter of the Department of City Planning, dated September 10, 2002, and hereby incorporates such findings by reference as though fully set forth in this Resolution; and, be it

FURTHER RESOLVED, That in accordance with the recommendation of the Director of Property, the Library Commission and the City Librarian, the execution, delivery and performance of the Purchase Agreement is hereby approved and the Director of Property (or his designee) is hereby authorized to execute the Purchase Agreement, in substantially the form of such Purchase Agreement presented to this Board of Supervisors in the name and on behalf of the City and any such other documents that are necessary or advisable to complete the transaction contemplated by the Purchase Agreement and effectuate the purpose and intent of this Resolution; and, be it

FURTHER RESOLVED, That revenue, if any, from the assumption of the Juma Lease shall be deposited back into the Proposition A funds; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Property (or his designee) to enter into any additions, amendments or other modifications to the Purchase Agreement and any other documents or instruments necessary in connection therewith, that the Director of Property determines 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 the City, and are necessary or advisable to complete the transaction contemplated in the Purchase Agreement and effectuate the purpose and intent of this Resolution, such determination to be conclusively evidenced by the execution and delivery by the Director of Property (or his designee) of any such additions, amendments, or other modifications; and, be it

FURTHER RESOLVED, That the cost of facility improvements to the subject Property

may not exceed \$250,000, unless separate approval is obtained from the Board of

Supervisors; and, be it

FURTHER RESOLVED, That funds in the amount of \$250,000 for telecommunications work are hereby placed on reserve, pending submission from the Department of

Mayor's Office of Public Finance
BOARD OF SUPERVISORS

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1	Marc S. McDonald Director of Property
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Mayor's Office of Public Finance **BOARD OF SUPERVISORS** 

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## City and County of San Francisco Tails

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

## Resolution

File Number:

021668

Date Passed:

Resolution authorizing the execution, delivery and performance of an Agreement of Purchase and Sale for Real Estate (along with all exhibits and schedules, the "Purchase Agreement"), between the City and County of San Francisco (the "City"), and Ninth and Howard LLC, a California limited liability company (the "Seller"), (including certain indemnities contained therein), for the purchase of real property and improvements located at 190 9th Street, San Francisco, for use as the Support Services Center of the San Francisco Public Library; adopting findings under the California Environmental Quality Act; and adopting findings that the conveyance is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1; placing \$250,000 on reserve.

October 21, 2002 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Newsom, Peskin, Sandoval, Yee

File No. 021668

I hereby certify that the foregoing Resolution was ADOPTED on October 21, 2002 by the Board of Supervisors of the City and County of San Francisco.

NOV 0 1 2007

**Date Approved** 

Gloria L. Young Clerk of the Board

Mayor Willie L. Brown Jr.