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[Resolution of Intent - Street and Public Easement Vacation - Parkmerced Development Project]

Resolution declaring the intent of the Board of Supervisors to order the conditional vacation of portions of streets (along with public service easements within those streets) that exist within the Subphases 1A and 1B of the Parkmerced Development Project area, an approximately 152 acre site located in the Lake Merced District in the southwest corner of San Francisco and generally bounded by Vidal Drive, Font Boulevard, Pinto Avenue, and Serrano Drive to the north, 19th Avenue and Junipero Serra Boulevard to the east, Brotherhood Way to the south, and Lake Merced Boulevard to the west; reserve various easement rights in favor of the City and third party utilities, subject to conditions specified; delegate authority to the Director of Real Estate to execute certain quit claim deeds; adopt findings under the California Environmental Quality Act; adopt findings that the vacations are consistent with the Parkmerced Development Agreement, the General Plan, and the eight priority policies of Planning Code, Section 101.1; direct the Clerk of the Board of Supervisors to make certain transmittals; authorize actions by City officials in furtherance of the street vacation ordinance; and setting a hearing date to September 6, 2016, at 3:00 p.m. for all persons interested in the proposed vacation of said street areas and public service easements.

WHEREAS, On February 20, 2015, Parkmerced Owner, LLC (together, with its successors and assigns, the "Project Sponsor") submitted three applications for tentative subdivision maps pursuant to the requirements of the California Subdivision Map Act for Subphases 1A and 1B of the Project. On August 21, 2015, Public Works ("PW") pursuant to PW Order No. 183946 conditionally approved such tentative maps: (1) Tentative Map No.

8530 requested approval to subdivide Assessor's Blocks 7326, 7330, 7331, 7364, 7365, 7366 and 7370 (Parkmerced Planning Blocks 20, 21S, and 22); (2) Tentative Map No. 8531 requested approval to subdivide Assessor's Block 7335 (Parkmerced Planning Block 6); and (3) Tentative Map No. 8532 requested approval to subdivide Assessor's Block 7308 (Parkmerced Planning Block 1) (collectively, the "Subphase 1A and 1B Tentative Maps"); and

WHEREAS, The Project Sponsor is currently processing with PW the approval of a final subdivision map for each of the Subphase 1A and 1B Tentative Maps (each, a "Final Map"); and

WHEREAS, This vacation proceeding is for: 1) portions of the following streets within Parkmerced along with public service easements in the vacated streets: Vidal Drive, Galindo Avenue, Chumasero Drive, Acevedo Avenue, Serrano Drive, Gonzalez Drive, Cambon Drive, and Font Boulevard (the "Street Vacation Area"). These street and public easement vacation actions are conducted under the general vacation procedures of the Public Streets, Highways and Service Easements Vacation Law (California Streets and Highways Code sections 8300 et seq.) and Public Works Code section 787(a); and

WHEREAS, Section 787(a) of the San Francisco Public Works Code provides that the street vacation procedures for the City and County of San Francisco (the "City") shall be in accordance with the applicable provisions of the California Streets and Highways Code and such rules and conditions as are adopted by the Board of Supervisors; and

WHEREAS, The location and extent of the Street Vacation Area is shown in PW SUR Map No. 2015-006, sheets 1 through 10. Copies of such maps are on file with the Clerk of the Board in File No. 190870 and are incorporated herein by reference; and

WHEREAS, The proposed vacation of the Vacation Area is part of an action to implement the Parkmerced Development Agreement, approved by this Board of Supervisors

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by Ordinance No. 89-11 (the "Development Agreement") and fulfill the objectives of the Parkmerced Special Use District (Planning Code Section 249.64); and

WHEREAS, The proposed vacations and other actions contemplated herein implement the Project vested by the Project Approvals, including the construction of buildings and streets consistent with the Parkmerced Design Standards and Guidelines, the Parkmerced Transportation Plan, and the Parkmerced Infrastructure Report, all of which are incorporated by reference into the Development Agreement; and

WHEREAS, The City proposes to quitclaim its interest in the Street Vacation Area; however, because many of these streets and easements will remain in use until specified times, certain portions of the Street Vacation Area as described more fully below would not be vacated until certain conditions are satisfied; and

WHEREAS, No portion of the Street Vacation Area shall be vacated until certain conditions are satisfied, as follows:

(a) The Project Sponsor shall provide an irrevocable offer of dedication to the City in form substantially similar to that provided in Exhibit L of the Development Agreement for all lands needed for construction of proposed improvements shown on the Street Improvement Permit for Subphases 1A and 1B of the Project. Subdivider shall make such irrevocable offers of dedication prior to City approval of the Final Subdivision Maps or issuance of a Street Improvement Permit for Subphases 1A or 1B of the Project, whichever is earlier. The offer of dedication shall be subject to the reservation of an easement in favor of Project Sponsor for all domestic water utilities within the dedicated area, which easement shall be extinguished upon completion of all Development Phases of the Project and formal acceptance of the domestic water utilities by the City pursuant to the Development Agreement. The sum total of the square footage of the land proposed for dedication to the City shall be equal to or exceed the square footage of the Street Vacation Area; and

(b) The Project Sponsor shall provide PW with an acceptable Public Improvement Agreement ("PIA") pursuant to Section 1351 of the San Francisco Subdivision Code and the Subdivision Map Act for all improvements within the Final Map or required for development of the area shown in the Final Map prior to approval of a Final Map or issuance of a Street Improvement Permit for Subphases 1A or 1B of the Project, whichever is earlier. Such PIA shall address security provisions and provide interim easements or licenses via separate offer, such that the City can complete the improvements if the Subdivider fails to do so; and

WHEREAS, In a letter dated August 3, 2015 (the "Planning Letter"), the Planning Department determined that the proposed vacations and other actions contemplated herein are on balance consistent with the General Plan and with the eight priority policies of Planning Code Section 101.1, comply with applicable provisions of the Planning Code, and are consistent with the Project as defined in the Development Agreement and the Project Approvals; and

WHEREAS, A copy of said letter is on file with the Clerk of the Board in File No. 160870 and is incorporated by reference herein; and

WHEREAS, In a letter dated July 5, 2016 (the "DRE Letter"), the Director of the Department of Real Estate determined that: the Development Agreement contemplates the vacation of the Street Vacation Area; Exhibit J of the Development Agreement shows the general locations of the property vacations and dedications required by the Project; Section 6.1.2 of the Development Agreement requires that (a) all real property exchanged under the Development Agreement be valued on a square foot basis and shall be deemed equal in value per square foot, (b) if any real property exchange under the Development Agreement requires that in a net loss of acreage for the City, then the Project Sponsor must pay to the City the fair market value of the real property loss at the time of transfer based on the then-current use of the property so transferred, and (c) the City shall not be required to pay for any net gain in

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real property; provided, however, such gain can be applied against future real property transfers for purposes of determining whether there has been a net loss as described above; and

WHEREAS, The Director of Real Estate also determined in the DRE Letter that: the proposed vacations and dedications associated with Subdivision Maps 8350, 8351, and 8352 result in a net gain in real property owned by the City; therefore, no payment is owed by the Project for the vacation of the Street Vacation Area; and this net gain should be credited against future public right of way vacations for the Project; and

WHEREAS, A copy of said letter is on file with the Clerk of the Board in File No. 160870; and

WHEREAS, The Director of PW has prepared PW Order No. 185138, dated July 22, 2016, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 160870 and incorporated herein by reference, and has determined that: (a) upon satisfaction of the applicable condition or conditions, the respective Street Vacation Area will no longer be necessary for the City's present or prospective future public street, sidewalk, and public service easement purposes as all existing physical public or private utilities located in the Street Vacation Area will be relocated to the satisfaction of the City as part of the construction of the Project; (b) with certain exceptions noted, the public interest, convenience, and necessity do not require any easements or other rights be reserved for any public or private utility facilities that are in place in the Street Vacation Area and that any rights based upon any such public or private utility facilities shall be extinguished automatically upon the effectiveness of the vacation; (c) in accordance with California Streets and Highways Code Section 892, for those portions of the Street Vacation Area to be conditionally vacated, upon satisfaction of the applicable condition or conditions, the right-of-ways and parts thereof proposed within the respective Street Vacation Areas will no longer by useful as a

nonmotorized transportation facility, as defined in Section 887, because the Development Agreement requires the dedication and construction of an extensive street, bicycle path, pedestrian path, park, and trail system that is more extensive than the areas being vacated hereby and that is designed to integrate with existing built streets in the adjacent neighborhoods; (d) the value of such exchange for future public right-of-way and other public benefits is equal or in favor of the City, and (e) although the consent of all property owners adjacent to the Vacation Areas was not obtained, the applicant made reasonable attempts to notify and obtain consent from all property owners adjacent to a Vacation Area and the proposed street vacations do not deprive any private landowner of access to the built public street grid; and

WHEREAS, In the PW Order the PW Director determined that the public interest, convenience, and necessity require that the City reserve from the vacation of the Street Vacation Area non-exclusive easements for the benefit of the City (and subject to possible grants by the City of temporary, immediately revocable licenses by the City in favor of AT&T, PG&E, and any other utilities) for any utilities, telecommunications facilities, or power and gas transmission facilities, respectively, located in, upon, or over any portion of the Street Vacation Area in which their respective in-place and functioning utilities are located, to the extent necessary to maintain, operate, repair, and remove existing lines of pipe, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation by City of City utilities, by AT&T of telecommunications facilities, by PG&E of power and gas transmission facilities, or for other public utilities; and

WHEREAS, This reservation, and any subsequent grant of easements or licenses would be subject to the City's authority to require AT&T, PG&E, and any other utilities to remove or relocate their facilities at no expense to the City when necessary to accommodate a project done under the governmental authority of the City; and 1

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WHEREAS, To the extent the non-exclusive easements described in this section have not previously merged into a fee interest held by the City, such non-exclusive easements reserved would be automatically extinguished when such alternative replacement facilities are completed to the satisfaction of the City Engineer and the Board of Supervisors accepts the facilities; and

WHEREAS, The City would execute a quitclaim of any interest in any easement reserved and would cause such quitclaim to be recorded against the subject property upon the fee title owner demonstrating to the City that replacement utilities serving the affected area have been substantially completed and operable; and

WHEREAS, In the event a non-exclusive easement described in this section has merged into the fee interest held by the City, such interest would be deemed to be automatically extinguished and conveyed at the time the fee interest is conveyed by the City to Project Sponsor or any other transferee pursuant to the Development Agreement; and

WHEREAS, In the PW Order the PW Director determined that the public interest, convenience, and necessity require that the City reserve from the vacation of the Street Vacation Area temporary access for the benefit of the public over any portion of the Street Vacation Area where required to preserve access between a private property and the existing street grid ; and

WHEREAS, The access proposed for reservation in this paragraph would be automatically extinguished when replacement access serving the affected area has been substantially completed and is open to the public; and

WHEREAS, Except in the case where the reserved access rights have merged into a fee interest held by the City (in which case they shall be deemed to be automatically extinguished), the City would execute a quitclaim of the temporary access reserved under this paragraph and shall cause such quitclaim to be recorded against the subject property upon

the servient tenement owner demonstrating to the City that replacement access serving the affected area has been substantially completed and is open to the public; and

WHEREAS, Subject to the reservations and conditions specified in this Resolution, those portions of the Vacation Area proposed to be conditionally vacated will be unnecessary for prospective public use once the applicable condition has been satisfied; and

WHEREAS, Except as specifically provided above, the public interest, convenience, and necessity require that no other easements or other rights be reserved for any public or private utility facilities that are in place in the proposed Vacation Area and that any rights based upon any such public or private utility facilities be extinguished upon Board approval of the vacation actions; now, therefore, be it

RESOLVED, That pursuant to California Streets and Highways Code Sections 8300 et seq. and San Francisco Public Works Code Section 787(a), the Board of Supervisors hereby declares that it intends to order the vacation of the Street Vacation Area, as shown on SUR Map No. 2015-006, sheets 1 through 10, which is incorporated hereby by reference, subject to the conditions, where applicable, and to the reservations described above; and, be it

FURTHER RESOLVED, That notice is hereby given that on the 6th day of September, 2016, beginning at approximately 3:00 p.m. in the Legislative Chambers of the Board of Supervisors, all persons interested in or objecting to the proposed vacation will be heard; and, be it

FURTHER RESOLVED, That the Board of Supervisors acknowledges the PW Order No. 185138 findings, including among other things, that (a) for those portions of the Vacation Area to be conditionally vacated, upon satisfaction of the applicable condition or conditions, the respective Vacation Area will no longer be necessary for the City's present or prospective future public street and sidewalk and public service easement purposes; (b) for those portions of the Vacation Area to be conditionally vacated, upon satisfaction of the applicable condition

Supervisor Yee BOARD OF SUPERVISORS or conditions, the right-of-ways and parts thereof proposed for vacation will no longer by useful as a nonmotorized transportation facility, as defined in Section 887, because the Parkmerced Project includes new facilities for bicycle and pedestrian movement that are equal to or in excess of what may currently exist; and (c) the value of such exchange for future public right-of-way and other public benefits is equal or in favor of the City; and, be it

FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board to transmit to the Department of Public Works a certified copy of this Resolution, and the Board of Supervisors urges the Director of Public Works and the Clerk of the Board to publish and post this Resolution and to give notice of the hearing of such contemplated action in the manner required by law.

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File Number: 160870

Date Passed: August 02, 2016

Resolution declaring the intent of the Board of Supervisors to order the conditional vacation of portions of streets (along with public service easements within those streets) that exist within the Subphases 1A and 1B of the Parkmerced Development Project area, an approximately 152 acre site located in the Lake Merced District in the southwest corner of San Francisco and generally bounded by Vidal Drive, Font Boulevard, Pinto Avenue, and Serrano Drive to the north, 19th Avenue and Junipero Serra Boulevard to the east, Brotherhood Way to the south, and Lake Merced Boulevard to the west; reserve various easement rights in favor of the City and third party utilities, subject to conditions specified; delegate authority to the Director of Real Estate to execute certain quit claim deeds; adopt findings under the California Environmental Quality Act; adopt findings that the vacations are consistent with the Parkmerced Development Agreement, the General Plan, and the eight priority policies of Planning Code, Section 101.1; direct the Clerk of the Board of Supervisors to make certain transmittals; authorize actions by City officials in furtherance of the street vacation ordinance; and setting a hearing date to September 6, 2016, at 3:00 p.m. for all persons interested in the proposed vacation of said street areas and public service easements.

August 01, 2016 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

August 01, 2016 Land Use and Transportation Committee - RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

August 02, 2016 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 160870

I hereby certify that the foregoing Resolution was ADOPTED on 8/2/2016 by the Board of Supervisors of the City and County of San Francisco.

Angela Catvillo

Clerk of the Board

8/11/16

**Date Approved** 

City and County of San Francisco