



Legislation Text

File #: 19-910, **Version:** 1

Resolution approving a Purchase and Sale and Affordable Housing Agreement with SSF Housing Partners LLC, for the disposition of City-owned parcels at 1051 Mission Road (APNs 093-312-050 and 093-312-060) for \$5,500,000.

WHEREAS, the City of South San Francisco (“City”) is the owner of certain real property located in the City of South San Francisco, California, with the address of 1051 Mission Road, known as County Assessor’s Parcel Numbers (“APN”) 093-312-050 and 093-312-060 (“1051 Mission Road”); and

WHEREAS, on June 29, 2011, the Legislature of the State of California (the “State”) adopted Assembly Bill x1 26 (“AB 26”), which amended provisions of the State’s Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) (the “Dissolution Law”), pursuant to which the former Redevelopment Agency of the City of South San Francisco was dissolved on February 1, 2012. The City became the Successor Agency to the Redevelopment Agency of the City of South San Francisco (“Successor Agency”), and in accordance with the Dissolution Law, the Successor Agency prepared a Long Range Property Management Plan (“LRPMP”), which was approved by a resolution of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of South San Francisco (“Oversight Board”) on May 21, 2015, and was approved by the Department of Finance (“DOF”) on October 1, 2015; and

WHEREAS, consistent with the Dissolution Law and the LRPMP, certain real properties located in the City of South San Francisco, that were previously owned by the former Redevelopment Agency were transferred to the Successor Agency (“Agency Properties”); and

WHEREAS, on October 18, 2016, the City entered into an Amended and Restated Master Agreement for Taxing Entity Compensation (“Compensation Agreement”) with the various local agencies who receive shares of property tax revenues from the former redevelopment project area (“Taxing Entities”), which provides that upon approval by the Oversight Board of the sale price, and consistent with the LRPMP, the proceeds from the sale of any of the Agency Properties will be distributed to the Taxing Entities in accordance with their proportionate contributions to the Real Property Tax Trust Fund for the former Redevelopment Agency; and

WHEREAS, on February 8, 2017, the City adopted Resolution 16-2017 approving the transfer of the Agency Properties from the Successor Agency to the City and in accordance with the requirements set forth in the LRPMP, and on February 21, 2017, the Oversight Board adopted a resolution approving the transfer of the Redevelopment Properties from the Successor Agency to the City; and

WHEREAS, consistent with the LRPMP and the Oversight Board resolution, the Successor Agency and City executed and recorded grant deeds transferring the Agency Properties to the City; and

WHEREAS, 1051 Mission Road, also known as the former Public Utilities Commission Opportunity Site (“PUC Site”) is one of the Agency Properties and is subject to the provisions of the LRPMP and the

Compensation Agreement; and

WHEREAS, to dispose of the PUC Site in a manner consistent with the LRPMP, on May 1, 2017 the City issued a Request for Qualifications (RFQ) for a well-qualified development team to create a high-quality, mixed-use, transit-oriented development on the PUC Site;

WHEREAS, pursuant to publicly noticed interviews and selection process, SSF Housing Partners LLC (“Developer”) was selected as the developer; and the City and Developer entered into an Exclusive Negotiating Rights Agreement (“ENRA”); and

WHEREAS, the ENRA was effective on July 23, 2018, with an initial term of 365 days; and

WHEREAS, on May 21, 2019, the City approved a 161 day ENRA extension, expiring on December 31, 2019; and

WHEREAS, the Developer remitted an ENRA extension payment to the City in the amount of \$67,083; and

WHEREAS, the Developer has proposed construction of a high-density mixed-use residential development, consisting of 800 rental units of which 158 will be affordable, an approximately 8,307 SF childcare facility, approximately 12,992 SF of retail space (market hall), 1 acre of public open space, pedestrian trail improvements and 800 parking spaces at 1051 Mission Road; and

WHEREAS, the City and Developer have negotiated a Purchase and Sale Agreement (“PSA”) for the disposition 1051 Mission Road, which is attached to this resolution as Exhibit A; and

WHEREAS, the City obtained an appraisal of the PUC Site properties located at 1051 Mission Road; and

WHEREAS, the City and Developer have also negotiated an Affordable Housing Agreement with BRIDGE Housing, Inc. (“AHA”) for Parcel 1, Building C2 located at 1051 Mission Road, and are included as Exhibit B ; and

WHEREAS, pursuant to redevelopment law and the Master Compensation Agreement, final approval of the sale price of 1051 Mission Road must be approved by the Oversight Board to the Successor Agency of South San Francisco; and

WHEREAS, the City and the Developer now wish to enter into a Purchase and Sale Agreement (“PSA”) for 1051 Mission Road, attached hereto and incorporated herein as Exhibit A; and

WHEREAS, approval of the PSA is considered a “project” for purposes of the California Environmental Quality Act, Pub. Resources Code §21000, et seq. (“CEQA”) and the City Council has considered the environmental impacts by separate resolution; and

WHEREAS, on October 17, 2019, the Planning Commission determined that the proposed disposition of the PUC Site properties at 1051 Mission Road and the proposed development thereon was consistent with the South San Francisco General Plan and El Camino Real/Chestnut Area Plan.

NOW THEREFORE IT BE RESOLVED that the City Council of the City of South San Francisco does hereby

resolve as follows:

1. Determines that the recitals are true and correct.
2. Subject to approval by the Oversight Board of the final sale price, approves a PSA with SSF Housing Partners LLC in substantially the same form attached hereto as Exhibit A, for the disposition of 1051 Mission Road (APNs 093-312-050 and 093-312-060) for \$5,500,000
3. Approves the Affordable Housing Agreement and the Assignment and Assumption Agreement (“A&A”) with BRIDGE Housing Corporation for 1051 Mission Road, in substantially the same form attached to the PSA.
4. Authorizes the City Manager to enter into and execute on behalf of the City Council the PSA, the AHA, and the A&A, in substantially the same form attached to the PSA and to make any non-material revisions, amendments or modifications deemed necessary to carry out the intent of this Resolution and subject to the Oversight Board’s review of this transaction and approval and direction regarding the final sale price.

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