

**LONG-RANGE PROPERTY MANAGEMENT PLAN
MUSEUM AIRSPACE PARCEL
ABOVE AND BELOW THE CONTEMPORARY JEWISH MUSEUM**

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long-Range Property Management Plan (“PMP”) which includes the disposition of an airspace parcel that is located both above and below the Contemporary Jewish Museum (the “Jewish Museum”) (the “Museum Airspace Parcel”). The former redevelopment agency (“SFRA”) originally acquired the land on which the Jewish Museum sits during the 1960s and 1970s with federal urban renewal funds, and was required to use the federal funds to carry out redevelopment activities in accordance with the Yerba Buena Center Redevelopment Plan (the “YBC Plan”) and the federal standards for urban renewal under Title I of the Housing Act of 1949.

Toward that end, the SFRA entered into a disposition and development agreement with the Jewish Museum in 1995 for the development of a 63,000-square-foot museum on the site, which included a historic brick power station, known as the “Jessie Street Substation” (as amended and restated, the “DDA”). In 2006, the SFRA sold the land and the airspace for the future Jewish Museum to the Jewish Museum, but retained ownership of the Museum Airspace Parcel. The Jewish Museum opened in 2008, and included space in the renovated Jessie Street Substation and new construction (See Attachment A).

Disposition Plan. The Successor Agency proposes to sell the Museum Airspace Parcel to the Jewish Museum, as the only interested buyer, for fair market value. The Museum Airspace Parcel has no market value, as more fully discussed below. The Jewish Museum has expressed an interest in purchasing the Museum Airspace Parcel with use restrictions that allow museum and ancillary uses only.

LONG-RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Museum Airspace Parcel. This property is also shown on Attachment A (Photo of Contemporary Jewish Museum) and Attachment B (DOF Tracking Sheet for Other Properties), as No. 39.

Date of Acquisition

The lots that comprise the land on which the Jewish Museum sits were acquired between 1967 and 1971. The associated subterranean and air rights associated with those lots were acquired at the same time. See Attachment B for additional details.

Value of Property at Time of Acquisition

The value of the land (which included the subterranean and air rights) on which the Jewish Museum sits was \$445,549 at the time of acquisition.

Estimate of the Current Value

The estimated current value of the Museum Airspace Parcel is zero. The airspace above the Jewish Museum is not developable. All of the development rights above the Jewish Museum were sold, pursuant to the DDA as transferable development rights (“TDR”), to offset the cost of rehabilitating the historic Jessie Street Substation and constructing the Jewish Museum. The airspace below the Jewish Museum is not accessible, and therefore not developable. Its use is limited to storage for the Jewish Museum.

Purpose for which the Museum Airspace Parcel was Acquired

As mentioned in the Executive Summary, the SFRA originally acquired the land on which the Jewish Museum sits during the 1960s and 1970s with federal urban renewal funds, and was required to use the federal funds to carry out redevelopment activities in accordance with the YBC Plan and the federal standards for urban renewal under Title I of the Housing Act of 1949.

Address/Location

The Museum Airspace Parcel is located above and below the Jewish Museum, which is located at 736 Mission Street. A photo of the Jewish Museum is attached as Attachment A.

Lot Size

The footprint of the Jewish Museum is approximately 20,300 square feet. The Museum Airspace Parcel includes (1) the airspace above the top of the Jewish Museum to infinity, and (2) the airspace from the bottom of the Jewish Museum to the center of the earth.

Current Zoning

The Museum Airspace Parcel falls under the zoning controls established in the City Planning Code within the Downtown Retail (C-3-R) District. The C-3-R District is a regional center for comparison shopper retailing and direct consumer services. The base Floor-Area-Ratio, or FAR, in the C-3-R District is 6.0 to 1. The base FAR can be increased to a maximum FAR of 9.0 to 1 with the purchase of transferable development rights. Building heights are limited to 400 feet.

Estimate of the Current Value (Including Appraisal Information)

As mentioned above, the estimated current value of the Museum Airspace Parcel is zero. No appraisal information is available.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

Neither the SFRA nor the Successor Agency has received any revenue from the Museum Airspace Parcel.

History of Environmental Contamination, Studies, Remediation Efforts

A general survey of environmental conditions was conducted as part of the 1995 Environmental Impact Report for the Yerba Buena Center Redevelopment Project Area (the “EIR”), including the land on which the Jewish Museum now sits. The EIR noted the area’s industrial past and the use of unknown sources of fill dirt over the years. As a result, the EIR noted that soil contamination and other hazards, such as underground storage tanks, were likely to be found during construction. When the Jewish Museum and surrounding improvements were constructed, various mitigation measures were implemented according to recommendations contained in the EIR, such as excavating and disposing of contaminated groundwater and soil.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Jewish Museum is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Muni bus lines, which can be used to access regional transit. Service to and from the East Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART. Under the City Planning Code, C-3-R Districts are compact in area and easily traversed on foot. They are well-served by City and regional transit. To encourage pedestrian activity and minimize conflicts between pedestrians and vehicles, parking facilities tend to be located at the periphery of C-3-R Districts.

The disposition of the Museum Airspace Parcel for ancillary uses associated with the Jewish Museum fulfills the planning objectives contained in the YBC Plan.

History of Previous Development and Leasing Proposals

No previous development or leasing proposals for the Museum Airspace Parcel have been made.

Disposition of the Museum Airspace Parcel

The Successor Agency proposes to sell the Museum Airspace Parcel to the Jewish Museum, as the only interested buyer, for fair market value. The Museum Airspace Parcel has no value, because it is not developable. The Jewish Museum has expressed an interest in purchasing the Museum Airspace Parcel with use restrictions that allow museum and ancillary uses only.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

N/A

Attachment A: Photo of Contemporary Jewish Museum
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A
Contemporary Jewish Museum at Night



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)