



City and County of San Francisco  
Edwin M. Lee  
Mayor


## San Francisco Department of Public Health


Barbara A. Garcia, MPA  
Director of Health

# MEMORANDUM

**DATE:** November 30, 2016

**TO:** Dr. Edward Chow, Health Commission President, and Members of the Health Commission

**THROUGH:** Barbara A. Garcia, MPA, Director of Health 

**FROM:** Mark A. Primeau, Capital Consultant, PB Strategies, LLC 

**RE:** Resolution: 16-12 Approving a Ground Lease & Lease Disposition and Development Agreement between the City & County of San Francisco and the Regents of the University of California for Purposes of Building a New Research Facility at the ZSFG Campus & Trauma Center

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In February 2013, the Mayor and City Administrator established a working task force co-chaired by the San Francisco Director of Health and the UCSF Chancellor to explore the proposal that UCSF construct a modern academic research building at ZSFG (the "Research Facility") on what is currently the B/C surface parking lot and consolidate existing ZSFG campus research centers and laboratories. I am pleased to report that the parties have reached an agreement for which we are seeking your support.

In 2015, the Health Commission, via Resolution 15-7, and the Board of Supervisors, via Resolution 289-15, endorsed a non-binding term sheet that included a number of negotiated agreements with respect to the proposed new Research Facility. The resolutions directed staff to continue negotiations consistent with the Term Sheet, and provided that if parties are successful, the Director of Health and Director of Property shall seek Health Commission and Board of Supervisors approval of the Ground Lease & Lease Disposition and Development Agreement. On October 26, 2016, the Director of Health and her staff, together with the Director of Property and the City's Attorney's Office reached agreement on the Ground Lease and Lease Disposition & Development Agreement.

The Research Facility project required completion of an environmental impact report in accordance with the California Environmental Quality Act ("CEQA"). On November 16, 2016,

the UC Regents, as the lead agency for the Research Building project, certified the Research Building at ZSFG and the City Parking Garage Expansion Final Environmental Impact Report ("Final EIR"), and adopted CEQA findings in connection with the new Research Facility. This included the adoption of mitigation measures, a mitigation monitoring and reporting program, and a statement of overriding considerations related to significant and unavoidable transportation impacts. (A link to the Final EIR can be found at: [http://campusplanning.ucsf.edu/sites/campusplanning.ucsf.edu/files/reports/UCSF%20ZSFG%20FEIR\\_102516.pdf](http://campusplanning.ucsf.edu/sites/campusplanning.ucsf.edu/files/reports/UCSF%20ZSFG%20FEIR_102516.pdf))

Attached for the Health Commission's consideration are a number of documents listed at the end of this memo including a draft resolution approving the Ground Lease and Lease Disposition & Development Agreement between the City and the Regents of the University of California. The draft resolution directs the Director of Health and Director of Property to seek approval from the San Francisco Board of Supervisors and authorizes the Director of Health, in consultation with the Office of the City Attorney and the Director of Real Estate, to enter into any additions, amendments or other modifications to the Transaction Documents that the Director of Public Health determines are in the best interests of the City, do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City, and are in compliance with all applicable laws, including the City's Charter.

**Documents for Health** Powerpoint by Primeau/Lazalde

Powerpoint by Primeau/Lazalde

**Commission review:**

Powerpoint by Primeau/Lazalde

Draft Resolution 16-12

Ground Lease & Lease Disposition & Development Agreement (LDDA)

DPH CEQA Findings

MMRP-Mitigation Measures as part of the EIR

UC CEQA Findings

UC Approval Action

Link to EIR, noted above