

1 [Approval of Second Amendment to the Redevelopment Agency's Ground Lease within
2 Mission Bay North and South Redevelopment Plans.]

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4 **Resolution approving the Second Amendment to the San Francisco Redevelopment**
5 **Agency's Ground Lease to add certain additional real property within the Mission Bay**
6 **South Redevelopment Plan Area to the leased premises and to clarify certain**
7 **maintenance obligations.**

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9 WHEREAS, California Statutes of 1968, Chapter 1333 ("the Burton Act") and San
10 Francisco Charter Section 4.114 empower the San Francisco Port Commission (the "Port
11 Commission") with the power and duty to use, conduct, operate, maintain, manage, regulate
12 and control the lands within Port Commission jurisdiction; and

13 WHEREAS, On October 26, 1998, the City and County of San Francisco (the "City"),
14 acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay
15 North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on
16 November 2, 1998, the City, acting through its Board of Supervisors, approved a
17 Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South")
18 by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the
19 "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan"),
20 which Redevelopment Plans were adopted in accordance with the procedures set forth in the
21 Community Redevelopment Law of California (California Health and Safety Code Sections
22 33000 et seq.); and,

23 WHEREAS, to implement the improvement of open space, parks, and plazas as
24 contemplated by the Redevelopment Plans, the City, the Port Commission and the
25 Redevelopment Agency of the City and County of San Francisco (the "Agency") entered into a

1 number of agreements, including a Ground Lease, dated for reference purposes only as of
2 November 16, 2001 and amended by a First Amendment to Agency Ground Lease, dated
3 June 29, 2006 (as so amended, the "Ground Lease"), under which the City and the City acting
4 by and through the Port Commission leased certain open space, parks and plazas in the
5 Mission Bay North Plan Area and the Mission Bay South Plan Area to the Agency; and

6 WHEREAS, On July 19, 1999, the City, the Port Commission, and Catellus
7 Development Corporation entered into an interim lease for portions of the open space (the
8 "Developer Master Lease"); and

9 WHEREAS, The Ground Lease is designed to become effective over the various
10 increments of open space, parks and plazas comprising the Ground Lease premises in
11 phases, following the date that City receives notice that the tenant under the Developer
12 Master Lease elects to terminate the Developer Master Lease with respect to such increment
13 (an "Agency Lease Notice") and on the respective dates that the City, the Port Commission
14 and the Agency initial and date written legal descriptions of the affected increments of the
15 premises and attach such descriptions to the Ground Lease as part of Exhibit B (the "Exhibit B
16 Attachment Process"); and

17 WHEREAS, An area in Mission Bay South referred to in Exhibit A to the Ground Lease
18 as "P21" is under the jurisdiction of the Port Commission, and

19 WHEREAS, In a letter dated April 23, 2002, Catellus provided an Agency Lease Notice
20 in accordance with Section 3.2.1 of the Developer Master Lease, electing to terminate the
21 Developer Master Lease over "P21", as described in such Agency Lease Notice; and,

22 WHEREAS, as contemplated by the Mission Bay South Redevelopment Plan and
23 related documents, a portion of such "P21" area has been improved with a boat trailer parking
24 lot (the "Parking Lot") which is used in connection with a nearby boat launch which is under
25 the Port's jurisdiction; and

1 WHEREAS, For the reasons set forth in the proposed Second Amendment to Ground
2 Lease, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 091286
3 (the "Second Amendment to Ground Lease"), the City, the Port Commission and the Agency
4 have determined that the Parking Lot should remain under the direct control of the Port
5 Commission and not be leased to the Agency under the Ground Lease then subleased or
6 sublicensed back to the Port Commission, and that, consequently, for the purposes of the
7 Ground Lease Park P21 should be comprised of only those portions of "P21" which will be
8 controlled and maintained by the Agency, which areas are depicted as "Park P21- Area 1"
9 and "Park P21 – Area 2" on Exhibit B-4-1 attached to the Second Amendment to Ground
10 Lease, and

11 WHEREAS, On or about May 2008, the Port, the Agency and the City's Department of
12 Public Works reached agreement on the allocation of certain maintenance responsibilities with
13 respect to portions of the premises under the Ground Lease and certain adjacent land and
14 improvements (including sidewalks, seawalls, riprap and trees), as more particularly detailed
15 in the Second Amendment to Ground Lease; and

16 WHEREAS, the City, the Port Commission and the Agency have determined that the
17 Ground Lease can be amended more effectively for certain parcels, such as the parcel known
18 as Park P21, by means of traditional amendments to the Ground Lease adding descriptions of
19 the affected portions of the premises rather than by the Exhibit B Attachment Process, and all
20 parties presently desire to amend the Ground Lease to allow for such process; and

21 WHEREAS, In a letter dated September 9, 2009, a copy of which is on file with the
22 Clerk of the Board of Supervisors in File No. 091286 and which letter is incorporated herein
23 by reference as though fully set forth herein, the Executive Director of the Port Commission
24 determined that the Second Amendment to Ground Lease is consistent with the State Public
25 Trust and recommended execution of the Second Amendment to Ground Lease.

1 WHEREAS, The Ground Lease contemplates that the Ground Lease will become
2 effective as to Park P21 following City's receipt of an Agency Lease Notice with respect to
3 such space, which Agency Lease Notice has been received ; and

4 WHEREAS, The Second Amendment to Ground Lease is necessary in order for the
5 Port Commission to effectively operate and maintain the Parking Lot and for the Agency to
6 effectively operate and maintain the facilities with the limits of Mission Bay Park P21, as
7 defined in the Second Amendment to Ground Lease and in order to document the respective
8 maintenance obligations of the Port, the Agency and the City's Department of Public Works;
9 now, therefore, be it

10 RESOLVED, That the Board of Supervisors approves the Second Amendment to
11 Ground Lease; and, be it

12 FURTHER RESOLVED, That, notwithstanding the fact that the Parking Lot will not be
13 added to the Ground Lease, the Parking Lot shall be considered open space under the
14 Mission Bay South Redevelopment Plan; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
16 Director of the Port ("Executive Director") and the City's Director of Property ("Director") to
17 execute the Second Amendment to Ground Lease, in a form approved by the City Attorney,
18 including all exhibits and in substantially the form of the Second Amendment to Ground Lease
19 on file with the Clerk of the Board of Supervisors in File No. 091286 ; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
21 Director and Director, in consultation with the City Attorney, to enter into any additions,
22 amendments or other modifications to the Ground Lease (including, without limitation,
23 preparation and attachment of, or changes to, any and all of the exhibits and ancillary
24 agreements) that the Executive Director and Director jointly determine, in consultation with the
25 City Attorney, are in the best interests of the City, do not materially increase the obligations or

1 liabilities of the City, are consistent with the Mission Bay South Redevelopment Plan, the
2 Ground Lease and other documents entered into by the City in connection therewith and are
3 necessary or advisable to effectuate the proposed transaction authorized by this Resolution.
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City and County of San Francisco
Tails
Resolution

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

File Number: 091286

Date Passed: December 15, 2009

Resolution approving the Second Amendment to the San Francisco Redevelopment Agency's Ground Lease to add certain additional real property within the Mission Bay South Redevelopment Plan Area to the leased premises and to clarify certain maintenance obligations.


December 15, 2009 Board of Supervisors - ADOPTED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi


File No. 091286

I hereby certify that the foregoing Resolution was ADOPTED on 12/15/2009 by the Board of Supervisors of the City and County of San Francisco.

18 December 2009
Date Approved



Angela Calvillo
Clerk of the Board



Mayor Gavin Newsom