

1 [Amended and Restated Real Property Lease - YMCA SF - Building 49 - 701 Illinois Street -
2 Crane Cove Park - Initial Annual Base Rent \$92,809.80]

3 **Resolution approving and authorizing the execution, delivery, and performance of**
4 **Amended and Restated Lease No. 17134 for Building 49, located at 701 Illinois Street**
5 **within Crane Cove Park between the Port of San Francisco and the Young Men's**
6 **Christian Association of San Francisco (YMCA SF) that would among other things,**
7 **reduce the seismic improvements described in the Existing Lease, eliminate all rent**
8 **credits for any seismic work performed by the YMCA SF, require the YMCA SF to open**
9 **the public restrooms no later than July 1, 2024, delay the rent commencement date to**
10 **no later than October 1, 2024, as defined in the Amended and Restated Lease; with no**
11 **change to the initial term of 10 years, retroactive to August 1, 2023, plus options to**
12 **extend for a total term of up to 34 years, 11 months, with an initial annual base rent of**
13 **\$92,809.80; affirming prior findings under the California Environmental Quality Act; and**
14 **authorizing the Executive Director of the Port to enter into any additions, amendments**
15 **or other modifications to the Amended and Restated Lease that do not materially**
16 **increase the obligations or liabilities of the City or Port and are necessary or advisable**
17 **to complete the transactions which this Resolution contemplates and effectuate the**
18 **purpose and intent of this Resolution.**

19
20 WHEREAS, Pursuant to Chapter 1333 of the Statutes of 1968 (as amended, the
21 "Burton Act") and the implementing Agreement Relating to Transfer of the Port of San
22 Francisco from the State of California to the City and County of San Francisco ("Transfer
23 Agreement"), the State of California granted to the City and County of San Francisco ("City")
24 certain current and former tide and submerged lands to be held under the jurisdiction of the
25 San Francisco Port Commission ("Port") and subject to the common law public trust for

1 commerce, navigation, and fisheries and the statutory trust imposed by the Burton Act,
2 (collectively, the "Public Trust"); and

3 WHEREAS, On April 25, 2023, the Port Commission adopted Resolution No. 23-20
4 authorizing Port staff to execute Lease No. 16997 ("Existing Lease") with the Young Men's
5 Christian Association of San Francisco (the "YMCA SF") for the development and use of
6 Building 49 located at 701 Illinois Street within Crane Cove Park following approval of the
7 Existing Lease by the Board of Supervisors, which approval occurred on June 27, 2023,
8 pursuant to Resolution No. 344-23, and in such resolutions, the Port Commission and the
9 Board of Supervisors each also adopted environmental findings regarding the Existing Lease,
10 copies of which are on file with the Clerk of the Board of Supervisors in Board File No.
11 230541; and

12 WHEREAS, The Existing Lease was executed by the parties on July 28, 2023, with a
13 Lease Commencement date of August 1, 2023; and

14 WHEREAS, The rehabilitation, reuse, lease and operation of Building 49 by the YMCA
15 SF as described in the Memorandum to the Port Commission dated April 21, 2023, a copy of
16 which is on file with the Clerk of the Board of Supervisors in File No. 230541, will benefit the
17 public trust through historic rehabilitation of and investment in trust assets, enhance water
18 recreation opportunities, and provide visitor-serving amenities which will attract the public to
19 use and enjoy these cultural and historic resources and generate revenue to fund necessary
20 improvements throughout the Port; and

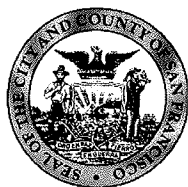
21 WHEREAS, YMCA SF agreed under the Existing Lease to perform a partial, seismic
22 retrofit of the building that is not required by the Port building code, and Port agreed to
23 contribute, in rent credits, 50% of the total cost associated with such Seismic Improvements or
24 \$500,000, whichever is less; and

1 WHEREAS, In October of 2023, YMCA SF notified Port staff that due to a lack of
2 adequate project funding and unanticipated increased costs from potential additional
3 disturbance of hazardous materials that would be required to carry out the seismic
4 improvements, along with overall construction costs escalation, they would be unable to
5 perform the seismic/structural improvements to Building 49 as described in the Existing
6 Lease, and they requested that the seismic scope be reduced in order to restore financial
7 feasibility to the project, and the Existing Lease be amended accordingly; and

8 WHEREAS, The Port and YMCA SF propose to amend and restate the Existing Lease
9 pursuant to a new Lease No. 17134 (the "Amended and Restated Lease") that will, among
10 other things, (i) reduce the seismic improvements described in the Existing Lease,
11 (ii) eliminate all rent credits for any seismic work performed by the YMCA SF, (iii) require the
12 YMCA SF to open the public restrooms no later than July 1, 2024, (iv) delay the rent
13 commencement date to no later than October 1, 2024 and (v) include the other changes
14 and/or clarifications described in the Memorandum to the Port Commission dated January 19,
15 2024 (the "January Port Memorandum") and on terms set forth in the Amended and Restated
16 Lease; and

17 WHEREAS, Copies of the Amended and Restated Lease, the January Port
18 Memorandum, and Port Commission Resolution No. 24-01 are on file with the Clerk of the
19 Board of Supervisors in Board File No. 240093 and incorporated herein by this reference; and

20 WHEREAS, On January 23, 2024, pursuant to Port Commission Resolution No. 24-01,
21 the Port Commission incorporated by reference the same environmental findings it adopted in
22 Port Commission Resolution No. 23-20, approved the Amended and Restated Lease, and
23 authorized the Port Executive Director or her designee to execute the Amended and Restated
24 Lease upon approval by the Board of Supervisors; now, therefore, be it



City and County of San Francisco

Tails Resolution

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

File Number: 240093

Date Passed: February 27, 2024

Resolution approving and authorizing the execution, delivery, and performance of Amended and Restated Lease No. 17134 for Building 49, located at 701 Illinois Street within Crane Cove Park between the Port of San Francisco and the Young Men's Christian Association of San Francisco (YMCA SF) that would, among other things, reduce the seismic improvements described in the Existing Lease, eliminate all rent credits for any seismic work performed by the YMCA SF, require the YMCA SF to open the public restrooms no later than July 1, 2024, and delay the rent commencement date to no later than October 1, 2024, as defined in the Amended and Restated Lease; with no change to the initial term of 10 years, retroactive to August 1, 2023, plus options to extend for a total term of up to 34 years and 11 months, with an initial annual base rent of \$92,809.80; affirming prior findings under the California Environmental Quality Act; and authorizing the Executive Director of the Port to enter into any additions, amendments or other modifications to the Amended and Restated Lease that do not materially increase the obligations or liabilities of the City or Port and are necessary or advisable to complete the transactions which this Resolution contemplates and effectuate the purpose and intent of this Resolution.

February 14, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE


February 14, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED

February 27, 2024 Board of Supervisors - ADOPTED


Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240093

I hereby certify that the foregoing
Resolution was ADOPTED on 2/27/2024 by
the Board of Supervisors of the City and
County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor

3/7/24

Date Approved