

1 [Approval of Lease Amendment]

2 **Resolution approving Third Amendment to Port Lease No. L-8627 with Ferry Plaza**
3 **Limited Partnership, for leased premises located at 1 Ferry Plaza.**

4 WHEREAS, By Resolution No. 99-67, the Port Commission approved the form and
5 substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease
6 ("Ferry Building Lease") with Ferry Building Investors, LLC ("Developer"), for the historic
7 rehabilitation of the Ferry Building; and

8 WHEREAS, By Resolution No. 1140-99, the Board of Supervisors approved the Ferry
9 Building Lease with FBI and further authorized the Port's Executive Director and any other
10 appropriate officers, agents or employees of the City to take any and all steps as they or any
11 of them deems necessary or appropriate, in consultation with the City Attorney, in order to
12 consummate the transactions under the Ferry Building Lease and LDDA; and

13 WHEREAS, Because the Ferry Building was required to be vacated to allow for the
14 timely and efficient redevelopment thereof, one of the conditions precedent under the LDDA
15 was the termination of certain long-term leases for the Ferry Building, including leases
16 between the Port and the World Trade Club of San Francisco ("WTC"); and

17 WHEREAS, To induce WTC to terminate its lease and vacate the Ferry Building, the
18 Port Commission approved by Port Resolution No. 00-95 a Lease Termination Agreement
19 under which the Port Commission agreed to certain conditions, all as more particularly
20 described in Resolution No. 00-95, a copy of which is on file with the Secretary of the Port
21 Commission; and

22 WHEREAS, WTC has reached agreement with the Port's tenant, Ferry Plaza Limited
23 Partnership ("Tenant"), to sublease the premises subject to that certain BARTD Ventilating
24 Structure Barbary Coast Restaurant Lease, dated May 8, 1974 (the "Lease"), which Lease
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1 has a remaining term of approximately 40 years for the building operated as Gabbiano's,
2 located on the Ferry Plaza behind the Ferry Building; and

3 WHEREAS, Pursuant to Section 10 of the Lease, Tenant asked for the Port's consent
4 to a Sublease from Tenant to WTC, and the Port Commission by Resolution No. 01-73 has
5 approved such Sublease subject to approval of an amendment to the Lease by the Board of
6 Supervisors; and

7 WHEREAS, Implementation of the conditions agreed-upon by the Port Commission in
8 the Lease Termination Agreement requires certain amendments to the Lease (the "Third
9 Amendment to Lease") on the terms set forth in the Memorandum to Port Commissioners, for
10 Calendar Item No. 7A for the Port Commission's regular meeting of September 25, 2001, a
11 copy of which is attached to Port Commission Resolution No. 01-73 and is on file with the
12 Clerk of the Board in File No. _____; and

13 WHEREAS, Charter Section 9.118 requires in relevant part for the Board of
14 Supervisors to approve amendments to non-maritime leases of real property for a period of
15 ten or more years, or contracts or agreements entered into by a City department for a term in
16 excess of ten years, and the Lease meets both of those criteria; now, therefore, be it

17 RESOLVED, That the Board of Supervisors approves the form and substance of the
18 Third Amendment to Lease incorporating the business terms set forth in the Memorandum for
19 Agenda Item 7A for the Port Commission meeting of September 25, 2001, a copy of which is
20 on file with the Clerk of the Board in File No. _____; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors authorizes and directs the
22 Executive Director of the Port to execute the Third Amendment to Lease in substantially the
23 form of such agreement on file with the Clerk of the Board in File No. _____, in
24 such final form as is approved by the Executive Director in consultation with the City Attorney;
25 and, be it

1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
2 Director to take any and all further steps an he deems necessary or appropriate, in
3 consultation with the City attorney, in order to consummate the transactions contemplated
4 under this Resolution, including executing such further documents or assurances necessary,
5 so long as such actions do not materially increase the obligations or liabilities of the City or
6 Port; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors approves, confirms and ratifies
8 all prior actions taken by the officials, employees and agents of the Port Commission of the
9 City with respect to the Lease Termination Agreement and Lease.

10 APPROVED AS TO FORM

11 LOUISE H. RENNE

12 City Attorney

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14 By: _____

15 NEIL H. SEKHRI, Deputy City Attorney

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