

1 [Approval of Public Trust Exchange; Agreement to Sell Portion of Seawall Lot No. 351 in  
2 Exchange for Portion of Block No. 168-Lot No. 58, Block No. 171-Lot No. 69, and Block No.  
3 201-Lot No. 12; Approval of Lease and Maintenance Agreement]

4 **Resolution approving and authorizing a Purchase and Sale Agreement with San**  
5 **Francisco Waterfront Partners II, LLC for the sale by the San Francisco Port**  
6 **Commission of unimproved real property located on Seawall Lot No. 351 at the corner**  
7 **of The Embarcadero and Washington Street in exchange for a portion of real property**  
8 **located on Block No. 168-Lot No. 58, Block No. 171-Lot No. 69, and Block No. 201-Lot**  
9 **No. 12 having an address at 8 Washington; approving and authorizing a Trust**  
10 **Exchange Agreement with the California State Lands Commission that would remove**  
11 **the public trust from such portion of Seawall Lot No. 351 and impressing the public**  
12 **trust on such portion of real property located on Block No. 168-Lot No. 58, Block No.**  
13 **171-Lot No. 69, and Block No. 201-Lot No. 12; approving and authorizing a 66-year**  
14 **Lease with San Francisco Waterfront Partners II, LLC for real property near The**  
15 **Embarcadero and former Pacific Street; approving and authorizing a Maintenance**  
16 **Agreement with San Francisco Waterfront Partners II, LLC for the maintenance of open**  
17 **space bound by The Embarcadero, Washington Street and Drumm Street; adopting**  
18 **environmental findings and findings of consistency with the General Plan and the eight**  
19 **Priority Policies of City Planning Code Section 101.1; and authorizing the Port's**  
20 **Executive Director and the City's Director of Property to execute documents, make**  
21 **certain modifications and take certain actions in furtherance of this Resolution.**

22  
23 Note: Additions are *single-underline italics Times New Roman*;  
24 deletions are *strike-through italics Times New Roman*.  
25 Board amendment additions are double-underlined;  
Board amendment deletions are ~~strike-through normal~~.

1           WHEREAS, The Port of San Francisco Waterfront Land Use Plan, including the Design  
2 and Access Element (collectively, the "Waterfront Plan") is the Port's adopted land use  
3 document for property within Port jurisdiction, which provides the policy foundation for  
4 waterfront development and improvement projects; and

5           WHEREAS, The Port owns Seawall Lot No. 351 ("SWL 351"), a triangular lot located at  
6 Washington and The Embarcadero, and is adjacent to the Golden Gateway residential site  
7 having an address at 8 Washington ("8 Washington site;" together with SWL 351, the "Project  
8 Site"); and

9           WHEREAS, SWL 351 is subject to the common law public trust for commerce,  
10 navigation, and fisheries and the statutory trust imposed by the Burton Act, Chapter 1333 of  
11 the Statutes of 1968, as amended, by which the State of California (the "State") conveyed to  
12 the City and County of San Francisco (the "City"), in trust and subject to certain terms,  
13 conditions and reservations, the State's interest in certain tidelands (collectively, the "Public  
14 Trust"); and

15           WHEREAS, By Resolution No. 08-45, the Port Commission authorized Port staff to  
16 issue a Request for Proposals (the "RFP") to solicit proposals from qualified parties to develop  
17 and operate on SWL 351 a mixed-use project to promote Public Trust purposes and the  
18 Waterfront Plan, including the Development Standards for the Ferry Building Mixed Use  
19 Opportunity Area; and

20           WHEREAS, The RFP was issued on November 10, 2008, two respondents submitted  
21 timely proposals, including San Francisco Waterfront Partners II LLC ("SFWP"), and the other  
22 respondent later withdrew its submittal; and

23           WHEREAS, SFWP's proposal was reviewed and analyzed by Port staff, an  
24 independent real estate economics consultant, and an evaluation review panel of three  
25

1 persons with experience in real estate economics, land use planning and architecture/urban  
2 design; and

3 WHEREAS, The Port Commission (i) reviewed and evaluated the summary and  
4 analyses of the SFWP proposal prepared by Port staff, its independent real estate economics  
5 consultant, and the evaluation panel, (ii) reviewed the Port staff recommendations set forth in  
6 the Staff Report accompanying Resolution 09-12, (iii) considered the public testimony on  
7 SFWP's proposal given to the Port Commission, and (iv) determined that the SFWP proposal  
8 met the requirements set out in the RFP and achieved the Port's objectives for SWL 351;and

9 WHEREAS, By Resolution 09-12, the Port Commission (i) awarded to SFWP an  
10 exclusive right to negotiate with the Port to develop the Project Site, and (ii) directed SFWP  
11 and Port staff to participate in a community planning process (the "NES") led by the San  
12 Francisco Planning Department, as recommended in the February 19, 2009 letter to the Port  
13 Commission from Supervisor David Chiu; and

14 WHEREAS, The Port and SFWP entered into an Exclusive Negotiating Agreement,  
15 effective August 26, 2009 (as may be amended from time to time, the "ENA"), setting forth the  
16 process, terms and conditions upon which the Port and SFWP agreed to negotiate certain  
17 transaction documents for the development of the Project Site and requiring the Port and  
18 SFWP to negotiate a Term Sheet to describe the basic elements of the proposed project, site  
19 plan, use program, economic parameters, and other fundamental terms that will serve as the  
20 basis for negotiating the transaction documents; and

21 WHEREAS, By Resolution 10-66, the Port Commission approved the Term Sheet  
22 containing the business terms for the proposed Project (as defined below); and

23 WHEREAS, SFWP is proposing to build on portions of the Project Site that will be held  
24 in private ownership after the Trust Exchange (as defined below), the following improvements:  
25 (i) two mixed-use buildings containing approximately 134 residential units, (ii) an underground

1 parking garage for residents of the buildings and the public, and (iii) a new health and fitness  
2 club (collectively, the "SFWP Improvements"); and

3 WHEREAS, SFWP is proposing to build on portions of the Project Site the Port will own  
4 after the Trust Exchange, the following improvements: (i) approximately 10,450 square feet of  
5 public open space to be known as "Jackson Commons" located on the former Jackson Street  
6 right-of-way, (ii) approximately 11,840 square feet of public open space to be known as  
7 "Pacific Park" immediately north of the Trust Retail Parcel, (iii) approximately 2,890 square  
8 feet of additional public open space along the Drumm Street pedestrian path, (iv) an  
9 approximately 4,000 square foot, one-story, 18-foot-tall retail building on a parcel adjacent to  
10 Pacific Park (the "Trust Retail Parcel"), and (v) approximately 4,835 square feet of improved  
11 and widened sidewalk along the west side of The Embarcadero, immediately south of Pacific  
12 Park and fronting a portion of the east side of the newly built health and fitness club  
13 (collectively, the "Public Improvements;" together with the SFWP Improvements, the  
14 "Project");and

15 WHEREAS, On March 22, 2012, the Planning Commission reviewed and considered  
16 the Final Environmental Impact Report ("Final EIR") in Planning Department File No.  
17 2007.0030E, consisting of the Draft Environmental Impact Report and the Comments and  
18 Responses document, and found that the contents of said report and the procedures through  
19 which the Final EIR was prepared, publicized and reviewed complied with the provisions of  
20 the California Environmental Quality Act ("CEQA"), the CEQA Guidelines and Chapter 31 of  
21 the San Francisco Administrative Code and found further that the Final EIR reflects the  
22 independent judgment and analysis of the City and County of San Francisco, is adequate,  
23 accurate and objective, and that the Comments and Responses document contains no  
24 significant revisions to the Draft EIR, and certified the completion of said FEIR in compliance  
25 with CEQA and the CEQA Guidelines in its Motion No. 18560; and

1           WHEREAS, On March 22, 2012, the Planning Commission adopted findings as  
2 required by CEQA ("CEQA Findings"), which findings included a Statement of Overriding  
3 Considerations and adoption of a Mitigation Monitoring and Reporting Plan ("MMRP") by its  
4 Motion No. 18561, which material was made available to the public and the Board for the  
5 Board's review, consideration and action; and

6           WHEREAS, This Board affirmed the certification of the Final EIR by Motion No. 12-061 on  
7 May 15, 2012; and

8           WHEREAS, This Board has reviewed and considered the information contained in the  
9 Final EIR, the CEQA Findings, all written and oral information provided by the Planning  
10 Department, the public, relevant public agencies, and other experts and the administrative  
11 files for the Project and the Final EIR; and

12           WHEREAS, The Project and Final EIR files have been made available for review by  
13 the Board and the public, and those files are part of the record before this Board by this  
14 reference herein; and

15           WHEREAS, The Planning Department, Linda Avery, is the custodian of records,  
16 located in File No. 2007.0030E, at 1650 Mission Street, Fourth Floor, San Francisco,  
17 California; and

18           WHEREAS, In order to develop the proposed Project, the California State Lands  
19 Commission ("State Lands") must approve a Public Trust exchange authorizing a realignment  
20 of the Public Trust between the 8 Washington site and SWL 351 (the "Trust Exchange")  
21 pursuant to Section 5 of Chapter 310, Statutes of 1987 ("Chapter 310") and the Port has  
22 negotiated with the State Lands staff a trust exchange agreement (the "Trust Exchange  
23 Agreement") whereby the Public Trust will be lifted from approximately 23,020 square feet of  
24 SWL 351 (the "Trust Termination Parcel") in exchange for impressing the Public Trust on  
25

1 approximately 28,241 square feet of the 8 Washington site that is not currently subject to the  
2 Public Trust (the "Trust Parcel"); and

3 WHEREAS, As required by Chapter 310, the Board of Supervisors makes the  
4 following findings with respect to the Trust Termination Parcel:

5 1. *The Trust Termination Parcel has been filled and reclaimed.* The Trust Termination  
6 Parcel is a portion of SWL 351, which was filled as part of the Port's program of reclaiming  
7 lands between the new seawall and the previously existing City front, for the purpose of  
8 generating revenues used to support the improvement of the harbor.

9 2. *The Trust Termination Parcel is cut off from access to the waters of the Bay.* All of  
10 the Trust Termination Parcel is located on filled land, located on the landside of the 100 foot  
11 wide Embarcadero Roadway, which consists of 6 traffic lanes and the MUNI light-rail corridor.  
12 No immediate access to the waters of San Francisco Bay exists from any portion of the Trust  
13 Termination Parcel.

14 3. *The Trust Termination Parcel is a very small portion of the Port's trust grant.* The  
15 total area of the Trust Termination Parcel is approximately 23,020 square feet (approximately  
16 ½ acre). The total amount of granted tide and submerged lands held by the Port is  
17 approximately 725 acres, of which the Trust Termination Parcel represents 0.07%.

18 4. *The Trust Termination Parcel is no longer needed or required for the promotion of*  
19 *the Public Trust.* Except for ferry operations at the Ferry Building and limited boat docking at  
20 Pier 1 ½ and 3, maritime activities are no longer significant in the Ferry Building Waterfront  
21 area. The Ferry Building Waterfront area abuts downtown San Francisco's diverse mix of  
22 urban activities. SWL 351 is immediately adjacent to a private swim and tennis club and is  
23 near low to high-rise residential and commercial development. For many years, the site has been  
24 used as a surface parking lot. Because SWL 351 is physically cut-off from the water, ~~and~~ serves  
25 no purpose in furthering maritime commerce, navigation or fisheries, and the existing surface

1 parking will be replaced with more public parking spaces in an underground parking garage, it is not  
2 no longer needed or required for the promotion of the Public Trust. In addition, ~~although SWL 351~~  
3 ~~is currently in use as a surface parking lot serving primarily the Ferry Building it is,~~ the San Francisco  
4 Public Utilities Commission (“SFPUC”) operates a force main that services the northeastern portion  
5 of San Francisco which runs through the entire width of SWL 351. No structures can be built over the  
6 length of the force main, including a buffer zone around the force main, which in effect, further divides  
7 SWL 351 into two smaller and separate areas, making development of Public Trust consistent  
8 commercial uses that much more difficult. SWL 351’s relatively small in size and has an unusual  
9 shape that (as currently configured), in addition to the inability to build structures over the SFPUC  
10 force main that runs through the entire width of SWL 351 (i) does not allow for the development of  
11 any of the uses that would further the overall Public Trust goals of the Waterfront Plan. As  
12 ~~currently configured, SWL 351 would not allow for~~ or promote other Public Trust uses such as  
13 useable or desirable open space or park use (ii). ~~The unusual size and shape of the existing~~  
14 ~~footprint~~ makes development of a Public Trust-consistent commercial use, such as hotel or  
15 retail, economically infeasible, as further evidenced by the withdrawal of the only other  
16 respondent to the RFP before the Port’s review of the proposal even began. Its current use  
17 for parking serving the Ferry Building Waterfront area could be better continued as sub-surface  
18 parking (as proposed), which would improve the appearance of the site and allow for  
19 development of better and additional public-serving Public Trust uses, as further described in  
20 item #5 below.

21 5. The Trust Termination Parcel can be removed without causing substantial  
22 interference with Public Trust uses and purposes and the Trust Parcel is useful for the particular  
23 trust purposes authorized by the Burton Act. In exchange for the lifting of the Public Trust from  
24 the Trust Termination Parcel, a greater square footage of land immediately adjacent to SWL  
25 351 will be impressed with the Public Trust. By combining SWL 351 and the 8 Washington

1 site, the resulting land configuration allows for the development of a mixed use project that  
2 further promotes Public Trust uses and purposes and realizes the vision put forth in the  
3 Waterfront Plan, by, among other things, (i) creating important new visual and pedestrian  
4 public access linking Jackson Street to The Embarcadero; (ii) achieving a long term solution  
5 to parking needs of the Ferry Building Waterfront area, as well as a central parking location for  
6 visitors to the northeastern waterfront; (iii) improving the visual quality of the Ferry Building  
7 Waterfront area by locating parking underground and creating an attractive mixed use  
8 development that enhances the land side of The Embarcadero and reconnects San Francisco  
9 with the waterfront; (iv) creating new parks along The Embarcadero, enhancing the waterfront  
10 visitor experience; (v) providing visitor-serving retail uses, including a café in prominent  
11 location adjacent to the proposed Pacific Park with waterfront views, (vi) creating new view  
12 corridors of the San Francisco Bay through the Project Site, and (vii) creating significant  
13 structures that recognize and respect the Port's bulkhead structures across The  
14 Embarcadero; and

15 WHEREAS, The City's Director of Property has determined based on an independent  
16 MAI appraisal that the Trust Termination Parcel has an appraised value of \$7,560,000 and the  
17 Trust Parcel has an appraised value of \$8,630,000, confirming that the value of the land to be  
18 exchanged into the Public Trust equals or exceeds the value of the land to be exchanged out  
19 of the Public Trust; and

20 WHEREAS, the Board of Supervisors has reviewed and concurs with the determination  
21 made by the City's Director of Property of the appraised value of each of the Trust  
22 Termination Parcel and the Trust Parcel, which determination is on file with the Clerk of the  
23 Board of Supervisors in File No. 120270 and is hereby declared to be a part of this resolution  
24 as if set forth fully herein; and

25

1           WHEREAS, In order to accomplish the proposed Trust Exchange, the Board of  
2 Supervisors wishes to approve the Trust Exchange on the material terms set forth in the Port  
3 Commission Memorandum and in substantially the form of the Trust Exchange Agreement  
4 which is on file with the Clerk of the Board of Supervisors in File No. 120270, which is hereby  
5 declared to be a part of this resolution as if set forth fully herein; and

6           WHEREAS, *The Port Commission, At its regular at a special public meeting on of May 29,*  
7 2012, ~~the Port Commission~~ reviewed and considered the Final EIR and adopted CEQA  
8 Findings and a MMRP for the Project, including a Statement of Overriding Considerations, by  
9 Resolution No. 12-46, a copy of which is on file with the Clerk of the Board of Supervisors in  
10 File No. 120270, and is hereby declared to be a part of this resolution as if set forth fully  
11 herein; and

12           WHEREAS, *The Port Commission At its regular at a special public meeting of on May 29,*  
13 2012, ~~the Port Commission~~ adopted findings regarding the Trust Exchange, and took other  
14 related actions by Resolution No. 12-47, a copy of which is on file with the Clerk of the Board  
15 of Supervisors in File No. 120270, and is hereby declared to be a part of this resolution as if  
16 set forth fully herein; and

17           WHEREAS, *The Port Commission At its regular at a special public meeting of on May 29,*  
18 2012, ~~the Port Commission~~ approved the (1) Disposition and Development Agreement (the  
19 "DDA") and 66-year Lease ("Lease") governing the construction of the Public Improvements,  
20 public financing for certain public improvements, and operation of the Trust Retail Parcel, (2)  
21 Purchase and Sale Agreement ("PSA"), (3) Trust Exchange Agreement governing the  
22 conditions to the Trust Exchange, (4) Maintenance Agreement for the maintenance of the  
23 Open Space Parcel by SFWP, and (5) related exhibits and attachments to the DDA, Lease,  
24 PSA, Trust Exchange Agreement, and Maintenance Agreement (all of the foregoing,  
25 collectively, (collectively the "Project Documents") described in the Memorandum for Agenda

1 Item 9A for the Port Commission *special* meeting of May ~~1629~~, 2012 (the "Port Commission  
2 Memorandum"), by Resolution No. 12-47, a copy of which, along with the Port Commission  
3 Memorandum, are on file with the Clerk of the Board of Supervisors in File No. 120270, and  
4 are hereby declared to be a part of this resolution as if set forth fully herein; and

5 WHEREAS, The PSA sets forth the terms and conditions under which (i) the Port will  
6 convey the Trust Termination Parcel to SFWP, (ii) SFWP will convey the Trust Parcel to the  
7 Port; (iii) SFWP will develop the SFWP Improvements, and (iv) the Port can exercise an  
8 option to purchase after completion of the Project an air space parcel within the underground  
9 parking garage that can accommodate up to 175 cars; and

10 WHEREAS, In addition to receiving the Trust Parcel, the Port shall receive the  
11 following payments from the sale of the Trust Termination Parcel: (i) a lump sum payment of  
12 \$3 million, (ii) transfer fees (equaling 1%-5% of the purchase price) in perpetuity ~~from~~ *after but*  
13 *not including the first the* sale (or lease with a term of thirty-five (35) years or longer) of each of  
14 the (a) residential condominiums, and (b) commercial condominiums (excluding the new  
15 health and fitness club) ~~after (but not including) the first sale of the applicable commercial~~  
16 ~~condominium, of which \$2 million is guaranteed~~, and (iii) an ongoing revenue stream of \$120,000  
17 per year for 66-years, commencing upon completion of Public Improvements, adjusted every  
18 5 years by the CPI with a minimum increase of 10% and a maximum of 20%; and

19 WHEREAS, In addition to the payments described in the immediately foregoing clause, SFWP  
20 will pay to Port or a City agency or its designee, an amount that will be used to fund affordable  
21 housing projects in the City, which amount will be determined by the type of the 134 residential units to  
22 be built in the Project and as described in the PSA, and Port staff estimates that based on the type of  
23 the 134 residential units approved by the Planning Commission for the Project, the additional  
24 contribution SFWP will make for affordable housing projects in the City is estimated to be around \$2.2  
25

1 million, which may be adjusted upwards or downwards depending on the final type of units set forth in  
2 the Project's building permit; and

3 WHEREAS, After completion of the Project, Port and SFWP will enter into a  
4 Maintenance Agreement for the management, maintenance, repair, and operation by SFWP  
5 of the Open Space Parcel requiring SFWP, or its successor or assignee (which may be the  
6 homeowner's association for the condominium project), to be responsible for the  
7 management, maintenance, repair and operation of the Open Space Parcel at its sole  
8 expense; and

9 WHEREAS, A copy of the proposed PSA, Lease, Trust Exchange Agreement, and  
10 Maintenance Agreement are on file with the Clerk of the Board of Supervisors in File No.  
11 120270, and are hereby declared to be a part of this resolution as if set forth fully herein; and

12 WHEREAS, The Project Documents conform to all local laws and regulations and are  
13 not prohibited by the City's Charter; and

14 WHEREAS, City and Port staff and consultants have conducted substantial economic  
15 analysis of the Project impacts and benefits on the Port and City; and

16 WHEREAS, The Project will generate additional significant public benefits for the Port  
17 and the City, including: (i) the replacement of an underutilized Port seawall lot currently used  
18 for surface parking with a below grade parking structure that meets the needs of Port  
19 businesses and visitors; (ii) the creation of significant new jobs and economic development;  
20 and (iii) both a lump sum payment and an ongoing revenue stream for the Port to help the  
21 Port continue to promote Public Trust uses and purposes; and

22 WHEREAS, On March 22, 2012, the San Francisco Planning Commission ("Planning  
23 Commission") by Motion No. 18565 found that the Project is consistent with the objectives  
24 and policies of the San Francisco General Plan, and the Priority Policies of Section 101.1; and

1           WHEREAS, Charter Section 9.118(b) requires Board of Supervisors approval of  
2 contracts having a term of ten or more years and Charter Section 9.118(c) requires Board of  
3 Supervisors approval of leases having a term of ten or more years or anticipated revenues of  
4 one million dollars or more, and of sales of City-owned real property; now, therefore, be it

5           RESOLVED, That the Board of Supervisors has reviewed and considered the  
6 information contained in the Final EIR, the CEQA Findings, the Project Documents and all  
7 other matters and actions approved by the Board of Supervisors by this Resolution, *finds that*  
8 *the approval of the Public Trust Exchange, PSA, Lease, and Maintenance Agreement* reflect the  
9 Project examined in the Final EIR and the Board hereby adopts the CEQA Findings, including  
10 the Statement of Overriding Considerations and MMRP, adopted by the Planning Commission  
11 by its Motion No. 18561, which CEQA Findings are on file with the Clerk of the Board of  
12 Supervisors in File No. 120271, and are hereby declared to be a part of this resolution as if  
13 set forth fully herein; and

14           FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered  
15 the information in the memorandum from Paul Maltzer of the Planning Department dated  
16 June 12, 2012, that considers the effect of reducing the amount of commercial parking and  
17 concludes that such reduction would not result in any additional environmental effects beyond  
18 those analyzed in the Final EIR for the reasons stated in the memorandum, which is  
19 incorporated into this resolution by this reference; and

20           FURTHER RESOLVED, That the Board of Supervisors finds that since the Planning  
21 Commission certified the Final EIR, which certification the Board affirmed on May 15, 2012, there  
22 have been no substantial project changes and no substantial changes in project circumstances that  
23 would require major revisions to the Final EIR due to the involvement of the new significant  
24 environmental effects or an increase in the severity of previously identified significant impacts, there is  
25 no new information of substantial importance that would change the conclusions set forth in the Final

1 EIR, and the Board has not identified any feasible alternative or additional feasible mitigation  
2 measures within its powers that would substantially lessen or avoid any significant effect the project  
3 would have on the environmental; and

4 FURTHER RESOLVED, That SFWP was selected to develop SWL 351 pursuant to a  
5 validly authorized and conducted RFP process; and be it

6 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the Project is  
7 consistent with the objectives and policies of the San Francisco General Plan, and the Priority  
8 Policies of Section 101.1 for the same reasons as set forth in Motion No. 18565, adopted by  
9 the Planning Commission on March 22, 2012; and be it

10 FURTHER RESOLVED, The Trust Exchange is in conformance with the Burton Act  
11 and Chapter 310, subject to approval by State Lands; and be it

12 FURTHER RESOLVED, For reasons set forth herein, the Board of Supervisors finds  
13 that the Trust Termination Parcel (i) has been filled and reclaimed, (ii) is cut off from access to  
14 the waters of the Bay, (iii) is a very small portion of the Port's trust grant, (iv) is no longer  
15 needed or required for the promotion of the Public Trust, and (v) can be removed without  
16 causing substantial interference with Public Trust uses and purposes and the Trust Parcel is  
17 useful for the particular trust purposes authorized by the Burton Act; and be it

18 FURTHER RESOLVED, That with the exchange of the Trust Termination Parcel for the  
19 Trust Parcel and the additional monetary payments to the Port as described herein, the sales  
20 price of the Trust Termination Parcel is at least 100% of the City's Director of Property's  
21 determination as to the appraised value of the Trust Termination Parcel; and be it

22 FURTHER RESOLVED, That it is in the City's and Port's best interest to convey the  
23 Trust Termination Parcel to SFWP, that the public interest or necessity demands, or will not  
24 be inconvenienced by the sale of the Trust Termination Parcel directly to SFWP pursuant to  
25 the PSA; and be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby approves the  
2 transactions contemplated by the Trust Exchange and the Trust Exchange Agreement  
3 including all attachments and exhibits thereto, and the transactions which such agreements  
4 contemplate, materially on the terms and conditions set forth in the Port Commission  
5 Memorandum and in such final form as is approved by the City Attorney; and be it

6 FURTHER RESOLVED, That the Board of Supervisors approves the form and the  
7 substance of the PSA, Lease, and the Maintenance Agreement, including all attachments and  
8 exhibits thereto, and the transactions which such agreements contemplate, incorporating the  
9 material business terms set forth in the Port Commission Memorandum; and be it

10 FURTHER RESOLVED, That the Board of Supervisors authorizes and directs the  
11 Executive Director of the Port (the "Executive Director") to execute the PSA in substantially  
12 the form presented to this Board, and in such final form as if approved by the Executive  
13 Director in consultation with the City Attorney; and be it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes and directs the  
15 Executive Director to execute the Trust Exchange Agreement in substantially the form  
16 presented to this Board, and in such final form as if approved by the Executive Director in  
17 consultation with the City Attorney; and be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes and directs the  
19 Executive Director to execute the Lease and the Maintenance Agreement upon satisfaction or  
20 waiver of the conditions precedent set forth in the DDA in substantially the form presented to  
21 this Board, and in such final form as is approved by the Executive Director in consultation with  
22 the City Attorney; and be it

23 FURTHER RESOLVED, That the City's Director of Property and the Executive Director  
24 are hereby authorized and urged, in the name and on behalf of the City and the Port, to  
25 (i) execute and deliver any and all conveyance deeds and instruments, and (ii) to take any

1 and all steps (including, but not limited to, the execution and delivery of any and all  
2 certificates, agreements, notices, consents, escrow instructions, closing documents and other  
3 instruments or documents) as they deem necessary or appropriate in order to implement the  
4 Trust Exchange in accordance with the terms of the PSA and the Trust Exchange Agreement,  
5 or to otherwise effectuate the purpose and intent of this resolution, such determination to be  
6 conclusively evidenced by the execution and delivery by the Director of Property and/or the  
7 Executive Director of any such documents; and be it

8 FURTHER RESOLVED, That the City's Director of Property and the Port's Executive  
9 Director are hereby authorized and urged, in the name and on behalf of the City and the Port,  
10 to (i) execute and deliver the deed to the Trust Termination Parcel to SFWP, and (ii) accept  
11 the Trust Parcel from SFWP, upon the closing in accordance with the terms and conditions of  
12 the PSA, and to take any and all steps (including, but not limited to, the execution and delivery  
13 of any and all certificates, agreements, notices, consents, escrow instructions, closing  
14 documents and other instruments or documents) as they deem necessary or appropriate in  
15 order to consummate the conveyance of the Trust Termination Parcel to SFWP and  
16 acceptance of the Trust Parcel from SFWP pursuant to the PSA, or to otherwise effectuate  
17 the purpose and intent of this resolution, such determination to be conclusively evidenced by  
18 the execution and delivery by the Director of Property and Executive Director of any such  
19 documents; and be it

20 FURTHER RESOLVED, That the Executive Director shall determine satisfaction of the  
21 conditions precedent under the PSA to the conveyance of the Trust Termination Parcel and  
22 the acceptance by the Port of the Trust Parcel, such determination to be conclusively  
23 evidenced by the execution and delivery by the Executive Director or the City's Director of  
24 Property of the applicable deeds; and be it

25

1 FURTHER RESOLVED, That the Executive Director shall determine satisfaction of the  
2 conditions precedent under the DDA to the conveyance of the leasehold estate in the Trust  
3 Retail Parcel, such determination to be conclusively evidenced by the execution and delivery  
4 by the Executive Director of the Lease; and be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
6 Director, and as to the PSA, the Executive Director and the City's Director of Property, to  
7 enter into reciprocal easement agreements, easement agreements, and or other related  
8 covenants and property documents necessary to implement the transactions contemplated by  
9 the Project Documents, and to enter into any additions, amendments or other modifications to  
10 the Project Documents including preparation and attachment of, or changes to, any or all of  
11 the attachments and exhibits that the Executive Director, in consultation with the City  
12 Attorney, determines are in the best interests of the City, do not materially decrease the  
13 benefits or otherwise materially increase the obligations or liabilities of the City or Port, and  
14 are necessary or advisable to complete the transactions that the Project Documents  
15 contemplate and effectuate the purpose and intent of this resolution, such determination to be  
16 conclusively evidenced by the execution and delivery by the Executive Director of such  
17 reciprocal easement agreements, easement agreements, or other covenants and property documents,  
18 additions, amendments or other modifications to the Project Documents; and be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
20 Director and any other appropriate officers, agents or employees of the City to take any and  
21 all steps (including the execution and delivery of any and all certificates, agreements, notices,  
22 consents, escrow instructions, closing documents and other instruments or documents) as  
23 they or any of them deems necessary or appropriate, in consultation with the City Attorney, in  
24 order to consummate the transactions contemplated under the Project Documents, in  
25 accordance with this resolution, or to otherwise effectuate the purpose and intent of this

1 resolution, such determination to be conclusively evidenced by the execution and delivery by  
2 any such person or persons of any such documents; and be it

3 FURTHER RESOLVED, That the Board of Supervisors approves, confirms and ratifies  
4 all prior actions taken by the officials, employees and agents of the Port Commission or the  
5 City with respect to the Project Documents.

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