

1 [License Agreement - Pacific Gas and Electric Company - Embarcadero-Potrero 230kV  
2 Transmission Project - Initial Term License Fee of \$15,275,205.35]

3 **Resolution approving License No. 15762 between the Port Commission and Pacific Gas**  
4 **and Electric Company for the ZA-1 Embarcadero-Potrero 230kV Transmission Project**  
5 **for approximately 435,600 square feet of submerged land between Pier 28½ and the**  
6 **23rd Street, 52,272 square feet of underground access for horizontal directional**  
7 **drilling, and 21,120 square feet of land along 23rd Street with an Initial Term License**  
8 **Fee of \$15,275,205.35 for a 40 year term, to commence following Board approval, with a**  
9 **26 year option.**

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11 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and the San  
12 Francisco Charter, Section B3.581 empower the San Francisco Port Commission with the  
13 power and duty to use, conduct, operate, maintain, manage, regulate and control the lands  
14 within Port Commission jurisdiction; and

15 WHEREAS, Pacific Gas & Electric ("PG&E") proposes to construct a new, single  
16 circuit, 230 kV transmission line between its Embarcadero Substation and its Potrero  
17 Substation, along onshore and submerged land in the Port's jurisdiction generally within the  
18 area bounded by Pier 28 ½ and portions of the shoreline at the foot of 23rd Street (the  
19 "Project"), to increase reliability of electric service to downtown San Francisco and provide  
20 operational flexibility; and

21 WHEREAS, At the Port Commission's August 14, 2012, meeting, an informational  
22 presentation about the Project was made by Port staff and Port staff was directed to negotiate  
23 a term sheet for use of Port lands for the Project; and

24 WHEREAS, At its November 13, 2012, meeting, the Port Commission approved  
25 Resolution 12-90, endorsing the ZA-1 Embarcadero-Potrero 230kV Transmission Project

1 Term Sheet (“Original Term Sheet”) between the Port and PG&E and authorizing Port staff to  
2 enter into negotiations with PG&E related to the Project and PG&E parcels Block 4110 (Lot  
3 008A) and Block 4120 (Lot 002), commonly known as the “Hoedown Yard”; and

4 WHEREAS, At its September 10, 2013, meeting, the Port Commission approved  
5 Resolution 13-34 endorsing the Project Term Sheet (“Revised Term Sheet”) between the Port  
6 and PG&E and an option to acquire the Hoedown Yard (the “Hoedown Yard Option  
7 Agreement”); and

8 WHEREAS, The California Public Utility Commission (“CPUC”) issued a draft Mitigated  
9 Negative Declaration (“MND”) on August 13, 2013, notice of the draft MND was published in  
10 the San Francisco Examiner on August 18 and 19, 2013, and a public informational meeting  
11 was held on August 20, 2013, in San Francisco; and

12 WHEREAS, The CPUC received public comments from the California Department of  
13 Fish and Wildlife, the San Francisco Bay Conservation Development Commission, the San  
14 Francisco Public Utilities Commission, two members of the public, and PG&E and responded  
15 to all of the comments in the final MND, which it issued on October 30, 2013; and

16 WHEREAS, Although a few revisions were made to clarify and revise the discussion  
17 and certain mitigation measures described in the MND, the final MND does not identify any  
18 new significant environmental impacts, and does not omit any existing mitigation measures,  
19 from those identified in the draft MND; and

20 WHEREAS, On January 16, 2014, the CPUC, as lead agency, certified the final MND  
21 and issued a Certificate of Public Convenience and Necessity for the Project by Decision No.  
22 14-01-07; and

23 WHEREAS, On March 5, 2014, pursuant to Resolution No. 54-14, the Board of  
24 Supervisors endorsed the Revised Term Sheet, subject to several changes to the proposed  
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1 Hoedown Yard Option Agreement, which will be executed by the Department of Real Estate;  
2 and

3 WHEREAS, Port and City staff have negotiated License 15762 (the "License")  
4 consistent with the terms of Port Commission Resolution 13-34 and Board of Supervisors  
5 Resolution 54-14, as further described in the Port staff's memorandum to the Port  
6 Commission dated June 5, 2014 ("Staff Report"), copies of which are on file with the Clerk of  
7 the Board of Supervisors in File No. 140749; and

8 WHEREAS, On June 10, 2014, pursuant to Port Commission Resolution No. 14-43, the  
9 Port Commission approved the License; and

10 WHEREAS, All applicable mitigation measures from the CPUC MND (as shown in  
11 Exhibit E of the Staff Report) have been incorporated into the proposed Project, the Port  
12 Commission and the Board of Supervisors have imposed them as conditions of approval, and  
13 the Port will receive copies of all mitigation monitoring reports to the CPUC; now, therefore, be  
14 it

15 RESOLVED, That the Board of Supervisors adopts and incorporates by reference as  
16 though fully set forth herein the mitigation measures for the project described in Exhibit E of  
17 the Staff Report; and, be it

18 FURTHER RESOLVED, That Board of Supervisors approves the License and  
19 authorizes the Executive Director of the Port ("Executive Director") to execute the License, in  
20 substantially the form with the Clerk of the Board of Supervisors in File No. 140749, and in  
21 such final form as is approved by the Executive Director in consultation with the City Attorney;  
22 and, be it

23 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
24 Director to enter into enter into any additions, amendments or other modifications to the  
25 License, including preparation and attachment of, or changes to, any or all of the attachments

1 and exhibits that the Executive Director, in consultation with the City Attorney, determines are  
2 in the best interests of the City or Port, do not materially decrease the benefits or otherwise  
3 materially increase the obligations or liabilities of the City or Port, and are necessary or  
4 advisable to enable PG&E to complete the project that the License contemplates and  
5 effectuates the purpose and intent of this resolution, such determination to be conclusively  
6 evidenced by the execution and delivery by the Executive Director of such other agreements,  
7 easement agreements and/or additions, amendments or other modifications to the License;  
8 and, be it

9           FURTHER RESOLVED, That within thirty (30) days of the License being fully executed  
10 by all parties, the Port Commission shall provide the License to the Clerk of the Board for  
11 inclusion into the official file.

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