

1 [Reaffirming and Restating Finding of Fiscal Feasibility for the revised Exploratorium Project  
2 at Piers 15/17 and Finding of Lease Exemption from Competitive Bidding Policy; Endorsing  
3 Amended and Restated Term Sheet;]

4 **Resolution reaffirming and restating the Board of Supervisor's prior findings that the**  
5 **revised Exploratorium Project at Piers 15/17 is fiscally feasible and responsible**  
6 **pursuant to Administrative Code Chapter 29 and is exempt from the competitive**  
7 **bidding policy set forth in Administrative Code Section 2.6-1, and endorsing the**  
8 **Amended and Restated Term Sheet between the Exploratorium and the San Francisco**  
9 **Port Commission.**

10 WHEREAS, The Exploratorium is a world-renowned museum and educational center,  
11 providing access to, and information about, science, nature, art, and technology, and serving  
12 more than 480,000 visitors annually, including teachers and children on field trips; and

13 WHEREAS, The Exploratorium has been housed since its inception in 1969 at the  
14 Palace of Fine Arts and over the past few years, with the support of the City, has been  
15 engaged in an extensive search for a new site that will better meet its need to be located in a  
16 more visible, accessible, transit-friendly location with sufficient capacity to meet its expanding  
17 program and constituency and house its accessory functions such as exhibit development and  
18 fabrication, administrative space, and ancillary restaurant and retail space; and,

19 WHEREAS, The Exploratorium desires to lease Pier 15 and Pier 17 on the San  
20 Francisco waterfront under a long-term lease ("Lease") from the San Francisco Port  
21 Commission ("Port") for the Exploratorium's museum and ancillary operations at Pier 15, with  
22 the possibility of expanding the museum into Pier 17 in the future; and

23 WHEREAS, On June 21, 2005, by Resolution No. 477-05, the Exploratorium obtained  
24 a waiver from the Board of Supervisors exempting the potential Lease of Pier 15, the  
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1 Connector Building and the Valley between Piers 15 and 17 and portions of the Pier 17  
2 marginal wharf area ("Original Project") from the competitive bidding policy set forth in San  
3 Francisco Administrative Code Section 2.6-1; and

4 WHEREAS, On February 28, 2006, by Resolution No. 06-13, the Port approved the  
5 terms of an Exclusive Negotiation Agreement between the Exploratorium and the Port for the  
6 Original Project, and the Port approved the financial terms of the Lease for the Original  
7 Project, with an option to expand the leased premises into Pier 17 in the 17th year of the  
8 proposed Lease, which terms are set forth in the term sheet ("Original Term Sheet") that is on  
9 file with the Clerk of the Board of Supervisors in File No. 060825; and

10 WHEREAS, On July 25, 2006, by Resolution No. 446-06, the Board of Supervisors  
11 found that the Original Project was fiscally feasible and responsible pursuant to San Francisco  
12 Administrative Code Chapter 29 and endorsed the Original Term Sheet; and

13 WHEREAS, The estimated construction costs associated with the Original Project have  
14 increased significantly, from approximately \$97 million to \$175 million; and

15 WHEREAS, In light of the increased construction costs, the Port desires to add Pier 17,  
16 including a majority of the Pier 17 shed, the east apron and the south loading dock ("Pier 17  
17 Areas"), to the initial premises and term of the proposed Lease, so that the Exploratorium may  
18 more easily address the increased construction costs and manage the expansion and  
19 relocation of its museum operations in the Northeastern Waterfront area as part of the initial  
20 Lease rather than waiting to expand into Pier 17 until the 17th year of the Lease; and

21 WHEREAS, On August 12, 2008, by Resolution No. 08-51, the Port approved of the  
22 addition of the Pier 17 Areas to the initial premises and term of the proposed Lease (the  
23 "Revised Project"), increased the rent credits granted on Pier 15 due to the increased  
24 development costs, amended other provisions, which terms are set forth in the Amended and  
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1 Restated Exclusive Negotiation Agreement and in the Amended and Restated Term Sheet  
2 ("Amended Term Sheet"), and directed the Port's Executive Director to present the Amended  
3 Term Sheet to the Board of Supervisors for its review and endorsement; and

4 WHEREAS, The Amended Term Sheet is on file with the Clerk of the Board of  
5 Supervisors in File No. \_\_\_\_\_, which is hereby declared to be a part of this Resolution as if  
6 set forth fully herein; and

7 WHEREAS, By Resolution No. 477-05, the Board of Supervisors exempted the  
8 potential Lease for the Original Project from the competitive bidding policy set forth in San  
9 Francisco Administrative Code Section 2.6-1, in light of The Exploratorium's unique ability to  
10 provide a special cultural and educational opportunity for the people of the City and County of  
11 San Francisco, to reach out and provide educational resources and relevant services for  
12 children, to enhance the City's tourism industry, to further the various objectives of the  
13 Waterfront Land Use Plan and to facilitate the rehabilitation of historic Port property; and

14 WHEREAS, The findings of Resolution No. 477-05 also apply to the Revised Project,  
15 and, in addition the Revised Project will enhance the Exploratorium's proposed use by  
16 providing the Exploratorium with the flexibility to expand into the Pier 17 Areas at an earlier  
17 date, thereby increasing benefits to the public; and

18 WHEREAS, The Amended Term Sheet requires a finding of fiscal responsibility and  
19 feasibility in connection with the addition of the Pier 17 Areas to the initial premises and term  
20 of the proposed Lease and the increased rent credits granted on Pier 15; and

21 WHEREAS, By Resolution No. 446-06, the Board of Supervisors endorsed the Term  
22 Sheet for the Original Project and found the Original Project to be fiscally feasible and  
23 responsible after considering the Project's general description, general purpose and other  
24 information; and

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1           WHEREAS, The findings of Resolution No. 446-06 continue to apply to the Revised  
2 Project because the addition of the Pier 17 Areas to the initial premises and term of the  
3 proposed Lease will either enhance or have no negative effect on the financial benefit that will  
4 accrue to the City and the Port as a result of the Revised Project, and the additional rent  
5 credits granted for the Pier 15 substructure repair work will have no negative effect on the  
6 financial benefit that will accrue to the City; and

7           WHEREAS, In Resolution No. 446-06, the Board of Supervisors authorized the filing of  
8 an Environmental Application with the Planning Department pursuant to Administrative Code  
9 Chapter 29, and authorized the Planning Department to undertake environmental review of  
10 the Original Project as required by Administrative Code Chapter 31 and CEQA; and

11           WHEREAS, The Exploratorium and the Port of San Francisco have filed such  
12 application, the Planning Department is in the process of preparing a Draft Environmental  
13 Impact Report ("DEIR"), and the addition of the Pier 17 Areas do not materially affect the  
14 analysis and conclusions of the DEIR because the DEIR already conservatively assumes that  
15 the impacts of the expansion into the Pier 17 Areas will occur at the same time as the Original  
16 Project; and

17           WHEREAS, The Board of Supervisors has reviewed and considered the terms for a  
18 Lease for the Revised Project as set forth in the Amended Term Sheet; now, therefore, be it

19           RESOLVED, That the Board of Supervisors reaffirms the findings of Resolution No.  
20 477-05 and determines that such findings apply to the Revised Project, exempts the potential  
21 Lease for the Revised Project from the competitive bidding policy set forth in San Francisco  
22 Administrative Code Section 2.6-1, and agrees that should the Port and the Exploratorium  
23 agree upon mutually acceptable terms for the Lease and development for the Revised  
24 Project, this Board of Supervisors shall not disapprove such proposed Lease solely on the  
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1 basis that it does not satisfy the competitive bidding policy set forth in Administrative Code  
2 Section 2.6-1; and be it

3 FURTHER RESOLVED, That the Board of Supervisors reaffirms the findings of  
4 Resolution No. 446-06 and determines that such findings apply to the Revised Project, and  
5 finds that the plan to undertake and implement the Revised Project is fiscally feasible and  
6 responsible under San Francisco Administrative Code Chapter 29; and be it

7 FURTHER RESOLVED, That the Board of Supervisors endorses the Amended Term  
8 Sheet between the Port and the Exploratorium dated August 12, 2008 attached to the  
9 Amended and Restated Exclusive Negotiation Agreement.

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