

11 [Approval of Second Amendment to the Redevelopment Agency's Ground Lease within
22 Mission Bay North and South Redevelopment Plans.]

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44 **Resolution approving the Second Amendment to the San Francisco Redevelopment**
55 **Agency's Ground Lease to add certain additional real property within the Mission Bay**
66 **South Redevelopment Plan Area to the leased premises and to clarify certain**
77 **maintenance obligations.**

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99 WHEREAS, California Statutes of 1968, Chapter 1333 (“the Burton Act”) and San
100 Francisco Charter Section 4.114 empower the San Francisco Port Commission (the "Port
111 Commission") with the power and duty to use, conduct, operate, maintain, manage, regulate
122 and control the lands within Port Commission jurisdiction; and

133 WHEREAS, On October 26, 1998, the City and County of San Francisco (the "City"),
144 acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay
155 North Redevelopment Project (“Mission Bay North”) by Ordinance No. 327-98, and on
166 November 2, 1998, the City, acting through its Board of Supervisors, approved a
177 Redevelopment Plan for the Mission Bay South Redevelopment Project (“Mission Bay South”) by
188 Ordinance No. 335-98 (collectively, the “Redevelopment Plans”, and individually, the
199 “Mission Bay North Redevelopment Plan” or “Mission Bay South Redevelopment Plan”),
200 which Redevelopment Plans were adopted in accordance with the procedures set forth in the
211 Community Redevelopment Law of California (California Health and Safety Code Sections
222 33000 et seq.); and,

223 WHEREAS, to implement the improvement of open space, parks, and plazas as
244 contemplated by the Redevelopment Plans, the City, the Port Commission and the

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11 Redevelopment Agency of the City and County of San Francisco (the "Agency") entered into a
22 number of agreements, including a Ground Lease, dated for reference purposes only as of
33 November 16, 2001 and amended by a First Amendment to Agency Ground Lease, dated
44 June 29, 2006 (as so amended, the "Ground Lease"), under which the City and the City acting
55 by and through the Port Commission leased certain open space, parks and plazas in the
66 Mission Bay North Plan Area and the Mission Bay South Plan Area to the Agency; and

77 WHEREAS, On July 19, 1999, the City, the Port Commission, and Catellus
88 Development Corporation entered into an interim lease for portions of the open space (the
99 "Developer Master Lease"); and

100 WHEREAS, The Ground Lease is designed to become effective over the various
111 increments of open space, parks and plazas comprising the Ground Lease premises in
122 phases, following the date that City receives notice that the tenant under the Developer
133 Master Lease elects to terminate the Developer Master Lease with respect to such increment
144 (an "Agency Lease Notice") and on the respective dates that the City, the Port Commission
155 and the Agency initial and date written legal descriptions of the affected increments of the
166 premises and attach such descriptions to the Ground Lease as part of Exhibit B (the "Exhibit B
177 Attachment Process"); and

188 WHEREAS, An area in Mission Bay South referred to in Exhibit A to the Ground Lease
199 as "P21" is under the jurisdiction of the Port Commission, and

200 WHEREAS, In a letter dated April 23, 2002, Catellus provided an Agency Lease Notice
211 in accordance with Section 3.2.1 of the Developer Master Lease, electing to terminate the
222 Developer Master Lease over "P21", as described in such Agency Lease Notice; and,

223 WHEREAS, as contemplated by the Mission Bay South Redevelopment Plan and
244 related documents, a portion of such "P21" area has been improved with a boat trailer parking

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11 lot (the "Parking Lot") which is used in connection with a nearby boat launch which is under
22 the Port's jurisdiction; and

33 WHEREAS, For the reasons set forth in the proposed Second Amendment to Ground
44 Lease, a copy of which is on file with the Clerk of the Board of Supervisors in File No. _____
55 (the "Second Amendment to Ground Lease"), the City, the Port Commission and the Agency
66 have determined that the Parking Lot should remain under the direct control of the Port
77 Commission and not be leased to the Agency under the Ground Lease then subleased or
88 sublicensed back to the Port Commission, and that, consequently, for the purposes of the
99 Ground Lease Park P21 should be comprised of only those portions of "P21" which will be
100 controlled and maintained by the Agency, which areas are depicted as "Park P21- Area 1"
111 and "Park P21 – Area 2" on Exhibit B-4-1 attached to the Second Amendment to Ground
122 Lease, and

133 WHEREAS, On or about May 2008, the Port, the Agency and the City's Department of
144 Public Works reached agreement on the allocation of certain maintenance responsibilities with
155 respect to portions of the premises under the Ground Lease and certain adjacent land and
166 improvements (including sidewalks, seawalls, riprap and trees), as more particularly detailed
177 in the Second Amendment to Ground Lease; and

188 WHEREAS, the City, the Port Commission and the Agency have determined that the
199 Ground Lease can be amended more effectively for certain parcels, such as the parcel known
200 as Park P21, by means of traditional amendments to the Ground Lease adding descriptions of
211 the affected portions of the premises rather than by the Exhibit B Attachment Process, and all
222 parties presently desire to amend the Ground Lease to allow for such process; and

223 WHEREAS, In a letter dated September 9, 2009, a copy of which is on file with the
244 Clerk of the Board of Supervisors in File No. _____ and which letter is incorporated herein

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11 by reference as though fully set forth herein, the Executive Director of the Port Commission
22 determined that the Second Amendment to Ground Lease is consistent with the State Public
33 Trust and recommended execution of the Second Amendment to Ground Lease.

44 WHEREAS, The Ground Lease contemplates that the Ground Lease will become
55 effective as to Park P21 following City's receipt of an Agency Lease Notice with respect to
66 such space, which Agency Lease Notice has been received ; and

77 WHEREAS, The Second Amendment to Ground Lease is necessary in order for the
88 Port Commission to effectively operate and maintain the Parking Lot and for the Agency to
99 effectively operate and maintain the facilities with the limits of Mission Bay Park P21, as
100 defined in the Second Amendment to Ground Lease and in order to document the respective
111 maintenance obligations of the Port, the Agency and the City's Department of Public Works;
122 now, therefore, be it

133 RESOLVED, That the Board of Supervisors approves the Second Amendment to
144 Ground Lease; and, be it

155 FURTHER RESOLVED, That, notwithstanding the fact that the Parking Lot will not be
166 added to the Ground Lease, the Parking Lot shall be considered open space under the
177 Mission Bay South Redevelopment Plan; and, be it

188 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
199 Director of the Port ("Executive Director") and the City's Director of Property ("Director") to
220 execute the Second Amendment to Ground Lease, in a form approved by the City Attorney,
221 including all exhibits and in substantially the form of the Second Amendment to Ground Lease
222 on file with the Clerk of the Board of Supervisors in File No. _____; and, be it

223 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
244 Director and Director, in consultation with the City Attorney, to enter into any additions,

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11 amendments or other modifications to the Ground Lease (including, without limitation,
22 preparation and attachment of, or changes to, any and all of the exhibits and ancillary
33 agreements) that the Executive Director and Director jointly determine, in consultation with the
44 City Attorney, are in the best interests of the City, do not materially increase the obligations or
55 liabilities of the City, are consistent with the Mission Bay South Redevelopment Plan, the
66 Ground Lease and other documents entered into by the City in connection therewith and are
77 necessary or advisable to effectuate the proposed transaction authorized by this Resolution.

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