

1 [China Basin Ballpark - Off-Site Parking Lease]

2 APPROVING AND AUTHORIZING A GROUND LEASE AGREEMENT BETWEEN THE CITY  
3 AND COUNTY OF SAN FRANCISCO, AS LANDLORD, AND CHINA BASIN BALLPARK  
4 COMPANY LLC ("CBBC"), AS TENANT, CONCERNING THE LEASE OF CITY-OWNED  
5 REAL PROPERTY LOCATED WITHIN BALLPARK PARKING LOTS B AND C AT THIRD  
6 AND FOURTH STREETS IN MISSION BAY SOUTH, FOR THE CONSTRUCTION AND  
7 OPERATION OF INTERIM SURFACE PARKING LOTS TO SERVE THE NEW BALLPARK  
8 FOR THE SAN FRANCISCO GIANTS; APPROVING, PURSUANT TO SECTIONS 23.6-1  
9 AND 6.63-1 OF THE ADMINISTRATIVE CODE, A CREDIT AGAINST RENT OTHERWISE  
10 DUE AND PAYABLE TO THE CITY IN AN AMOUNT EQUAL TO POSSESSORY INTEREST  
11 TAXES PAID BY CBBC WITH RESPECT TO THE PARKING LEASE; ADOPTING FINDINGS  
12 PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; ADOPTING  
13 FINDINGS THAT THE PARKING LEASE IS CONSISTENT WITH THE CITY'S GENERAL  
14 PLAN AND EIGHT PRIORITY POLICIES OF CITY PLANNING CODE SECTION 101.1;  
15 ADOPTING FINDINGS THAT THE PARKING LEASE IS CONSISTENT WITH THE PUBLIC  
16 TRUST; AND RATIFYING PRIOR ACTS.

17 WHEREAS, On March 26, 1996, the voters of the City and County approved  
18 Proposition B, which made certain changes to the City's zoning laws to allow a new ballpark  
19 to be developed privately at China Basin on a site bounded generally by King Street, Second  
20 Street, China Basin Channel and Third Street; and,

21 WHEREAS, China Basin Ballpark Company LLC ("CBBC") is a limited liability  
22 company, which the owners of the San Francisco Giants baseball team have organized to  
23 lease the China Basin site and develop and operate the new ballpark and related  
24 improvements; and,

25 WHEREAS, In furtherance of Proposition B, the Board of Supervisors, by Resolution

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1 Nos. 702-97, 703-97, 704-97 and 705-97, approved a Ground Lease and related agreements  
2 between the City and County, through the San Francisco Port Commission (the "Port"), and  
3 CBBC, to allow the development and operation of the new ballpark and related improvements  
4 at the China Basin site; and,

5 WHEREAS, Under Proposition B, there is no minimum requirement for on-site parking  
6 for the ballpark project in recognition of the public transit anticipated to be available to serve  
7 the ballpark, the large supply of parking in the area, much of which can be made available for  
8 ballpark use in the evenings and on weekends, and the availability of approximately 5,000 off-  
9 site parking spaces near the ballpark during the first five years of the ballpark's operation;  
10 and,

11 WHEREAS, A component of the ballpark project is the provision of approximately  
12 5,000 off-site dedicated interim parking spaces for baseball games and special events at the  
13 ballpark, including parking on property owned by Catellus Development Corporation  
14 ("Catellus") and the City; and,

15 WHEREAS, In furtherance of Proposition B, the Board of Supervisors, by Resolution  
16 No. 880-97, approved a lease (the "Port Parking Lease") between the City, through its Port,  
17 and CBBC, for about 13.5 acres of land on Seawall Lot 337 that CBBC intends to develop for  
18 interim parking purposes south of the China Basin Channel; and,

19 WHEREAS, CBBC proposes to lease from the City certain land located south of China  
20 Basin Channel at Third and Fourth Streets consisting of approximately 4.19 acres of City-  
21 owned land within the area known as "Lot B" and approximately 2.95 acres of City-owned land  
22 within the area known as "Lot C" as shown on the map on file with the Clerk of the Board of  
23 Supervisors in File No. 991250 (the "Premises"), for the purpose of constructing and  
24 using the Premises for short-term surface parking for automobiles and other passenger  
25 vehicles for baseball games, special events and other permitted uses of the ballpark; and,

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1           WHEREAS, The Premises consist of former street areas in the newly adopted  
2 redevelopment project area for Mission Bay South and are presently under the jurisdiction of  
3 the Department of Public Works; and,

4           WHEREAS, The Premises are subject to the provisions of the Amended and Restated  
5 Mission Bay City Land Transfer Agreement ("CLTA"), approved by the Board by Ordinance  
6 No. 330-98, which provides for the conveyance of those former street areas and other lands  
7 to Catellus in exchange for other property within Mission Bay upon the satisfaction of certain  
8 conditions; and,

9           WHEREAS, Upon the initial closing of the land transfers under the CLTA, which is  
10 anticipated to occur before the execution and delivery of the City Parking Lease, the acreage  
11 now owned by the City in Lots B and C referred to above will be transferred by the City to  
12 Catellus and the City will receive from Catellus title to approximately 1.83 acres within Lot B,  
13 thereby substantially reducing the size of the Premises; and,

14           WHEREAS, Concurrently with the initial closing of the land transfers under the CLTA,  
15 the Premises under the Parking Lease will be changed to constitute the approximately  
16 1.83 acres within Lot B referred to above, and such Premises will become impressed with the  
17 public trust pursuant to Chapter 1143 of the Statutes of 1991 of the State of California, as  
18 amended by Chapter 86 of the Statutes of 1992 and by Chapter 203 of the Statutes of 1997  
19 (the "Act") and the Amended and Restated Agreement Concerning the Public Trust; and,

20           WHEREAS, CBBC proposes to lease the Premises from the City in conjunction with  
21 CBBC's lease of adjoining real property owned by Catellus in the event that either (i) the land  
22 exchanges under the CLTA do not close or (ii) the land exchanges close, as expected, and  
23 the City thereby acquires ownership and control over new property within Lot B (in which case  
24 the definition of the Premises shall be appropriately changed by the Director of Property  
25 without further approval of the Board of Supervisors); and,

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1           WHEREAS, A copy of the proposed Lease between the City and County, as landlord,  
2 and CBBC, as tenant, is on file with the Clerk of the Board of Supervisors in File  
3 No. 991250 (the "Parking Lease"); and,

4           WHEREAS, CBBC represents that the economic terms of the proposed Parking Lease  
5 are parallel to the economic terms in its lease with Catellus for the adjoining property, as  
6 stated in the letter on file with the Clerk of the Board in File No. 991250; and,

7           WHEREAS, CBBC has entered into a sublease with Imperial Parking, Inc. of the  
8 Premises and adjoining Catellus-owned property and also of the Port property that is the  
9 subject of the Port Parking Lease, to construct and operate those interim ballpark parking lots;  
10 and,

11           WHEREAS, The Director of Property has determined that the compensation to the City  
12 under the proposed Parking Lease represents fair market rent for the Premises and that the  
13 economic terms of the proposed Parking Lease are parallel to the economic terms of the  
14 lease of the adjoining Catellus-owned property to CBBC for parking purposes; and,

15           WHEREAS, All of the land comprising the Premises, which is the subject of the  
16 proposed Parking Lease, is under the jurisdiction of the City's Department of Public Works;  
17 and,

18           WHEREAS, On June 26, 1997, the City Planning Commission, by Motion No. 14398,  
19 and the Redevelopment Agency Commission, by Resolution No. 96-97, certified the Final  
20 Environmental Impact Report for the ballpark project (the "FEIR") as accurate, adequate and  
21 objective and in compliance with the California Environmental Quality Act ("CEQA"); and,

22           WHEREAS, On June 16, 1999, the Department of City Planning issued a  
23 Memorandum to City Planning File No. 96.176E pursuant to CEQA Guidelines Section 15164  
24 including an Addendum to the FEIR for the ballpark project (the "Addendum"), a copy of which  
25 is on file with the Clerk of the Board of Supervisors in File No. 991250, determining that

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1 changes to the interim parking lots as proposed would not result in any new significant  
2 environmental effects beyond those disclosed and analyzed in the FEIR, that no new  
3 information has become available since certification of the FEIR that would require major  
4 revisions to the FEIR or its conclusions, that there are no substantial changes with respect to  
5 the circumstances under which the interim parking lot project is to be undertaken since the  
6 certification of the FEIR that would cause new significant environmental impacts and that no  
7 further environmental analysis is required for the proposed interim parking lot project; and,

8 WHEREAS, This Board of Supervisors has reviewed and considered the information  
9 contained in the FEIR, the Addendum and the other information on file with the Clerk of the  
10 Board in File No. 991250; and,

11 WHEREAS, In Attachment A to Resolution No. 701-97, adopted by this Board of  
12 Supervisors on July 28, 1997, the Board of Supervisors found that the ballpark project  
13 proposes approximately 5,000 off-site dedicated interim parking spaces located south of the  
14 China Basin Channel on property owned by the City, including the Port, and Catellus, and the  
15 parking under the proposed Parking Lease is analyzed in the FEIR; and,

16 WHEREAS, The Board of Supervisors, by Resolution No. 880-97, approving and  
17 authorizing the Port Parking Lease, found that the Port Parking Lease is part of the ballpark  
18 project for which the Board of Supervisors, by Resolution No. 701-97, has adopted findings  
19 with respect to the FEIR as required by CEQA, all as more particularly set forth in such  
20 resolutions; and,

21 WHEREAS, For purposes of compliance with CEQA, the Parking Lease is part of the  
22 ballpark project for which the Board of Supervisors, by Resolution No. 701-97, has adopted  
23 findings with respect to the FEIR as required by CEQA, which findings are on file with the  
24 Clerk of the Board of Supervisors under File No. 262-97-7, and which findings, together with  
25 those attached, are incorporated herein by this reference; and,

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1           WHEREAS, The Department of City Planning prepared proposed parking lot findings,  
2 as required by CEQA, for the interim parking lot project, which findings are attached to this  
3 Resolution as Attachment A (including Exhibit 1 thereto) and are incorporated herein by  
4 reference; and,

5           WHEREAS, Such findings incorporate by reference the findings adopted by the Board  
6 of Supervisors by Resolution No. 701-97, except as modified by the parking lot findings, and  
7 have been made available to the public and this Board of Supervisors for the Board of  
8 Supervisors' review, consideration and action; and,

9           WHEREAS, The Mission Bay South Redevelopment Plan, approved by Ordinance  
10 No. 335-98, authorizes and permits as a matter of right, pending ultimate development of the  
11 plan area consistent with the plan, interim parking associated with the ballpark that was  
12 previously approved by the City's Zoning Administrator, pursuant to the terms and conditions  
13 of the Zoning Administrator's letter; and,

14           WHEREAS, By letter dated June 17, 1999, the Director of Planning submitted a report,  
15 a copy of which report is on file with the Clerk of the Board of Supervisors in  
16 File No. 262-97-7, wherein the Director of Planning found that the ballpark project, which  
17 contemplates the Parking Lease, is consistent with the City's General Plan and with the Eight  
18 Priority Policies of City Planning Code Section 101.1;

19           WHEREAS, The proposed Parking Lease is consistent with both the previous ballpark  
20 approvals and the approvals for the Mission Bay South project; now, therefore, be it

21           RESOLVED, That the Board of Supervisors hereby approves Resolution No. 701-97  
22 with respect to the approval of the Parking Lease under this resolution and hereby adopts and  
23 incorporates the environmental findings under CEQA contained in Resolution No. 701-97 by  
24 reference as though such findings were fully set forth in this resolution; and, be it

25           FURTHER RESOLVED, That the Board of Supervisors hereby approves Attachment A

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1 to this Resolution (including Exhibit 1 thereto) and hereby adopts and incorporates by  
2 reference the findings under CEQA contained therein; and, be it

3 FURTHER RESOLVED, That, based upon the Board of Supervisors' review of the  
4 FEIR and the Addendum, the Board of Supervisors further finds that (1) modifications  
5 incorporated into the ballpark project and reflected in the approval of the Parking Lease under  
6 this resolution will not require important revisions to the FEIR due to the involvement of new  
7 significant environmental effects or a substantial increase in the severity of previously  
8 identified significant effects; (2) no substantial changes have occurred with respect to the  
9 circumstances under which the ballpark project or the approval of the Parking Lease under  
10 this resolution are undertaken would require major revisions to the FEIR due to the  
11 involvement of new environmental effects, or a substantial increase in the severity of effects  
12 identified in the FEIR; and (3) no new information of substantial importance to the ballpark  
13 project or the actions has become available which would indicate (a) the ballpark project or  
14 Parking Lease will have significant effects not discussed in the FEIR, (b) significant  
15 environmental effects will be substantially more severe; (c) mitigation measures or  
16 alternatives found not feasible which would reduce one or more significant effects have  
17 become feasible; or (d) mitigation measures or alternatives which are considerably different  
18 from those in the FEIR would substantially reduce one or more significant effects on the  
19 environment; and, be it

20 FURTHER RESOLVED, That in accordance with the recommendations of the Director  
21 of Property and the Director of Public Works and based on the findings contained herein, the  
22 Board of Supervisors hereby approves the form and substance of the Parking Lease and the  
23 transaction contemplated by the Parking Lease; and, be it

24 FURTHER RESOLVED, That subject to applicable laws and regulations and  
25 environmental mitigation requirements set forth in the Parking Lease, the Premises may be

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1 used for short term surface parking of automobiles and other passenger vehicles in  
2 conjunction with similar permitted uses on adjoining land owned by Catellus for baseball  
3 games and special events at, and any other permitted use of, the ballpark; and,

4 FURTHER RESOLVED, That the term of the Parking Lease shall be for a period  
5 beginning on the earlier of April 1, 2000 or the first date on which a Major League Baseball  
6 game occurs at the new ballpark (provided the tenant has given the landlord no less than  
7 120 days prior written notice of any such game and subject to the early access rights of the  
8 CBBC referred to below) and ending on October 31, 2005 for the City-owned property within  
9 Lot B and on October 31, 2002 for the City-owned property within Lot C, which corresponds  
10 with the term of the lease between Catellus and CBBC for such lots, provided that upon the  
11 closing of the land transfers under the CLTA, if the term of the Parking Lease has then begun,  
12 the term shall end on such closing date as to City land conveyed to Catellus, and shall begin  
13 on such closing date as to the new City land within Lot B, all on terms and conditions further  
14 described in the Parking Lease; and, be it

15 FURTHER RESOLVED, That the term of the Parking Lease may be extended by  
16 CBBC for a 60-month period for the portion of the Premises within Lot B on the same terms  
17 and conditions as those set forth in the Parking Lease, subject, however, to the City's right,  
18 exercisable on or after the 44<sup>th</sup> month of the term, to terminate the Parking Lease as to any or  
19 all of the Premises on a date not less than 24 months after giving notice of termination to  
20 CBBC, if Catellus terminates its parking lease with CBBC of the adjoining property; the  
21 Director of Property is authorized to give any such notice of termination and is urged to give  
22 such notice if and when necessary or appropriate under the Catellus Master Lease and the  
23 Mission Bay South plan documents; and, be it

24 FURTHER RESOLVED, That the rent under the Parking Lease shall be calculated in  
25 the same manner as the rent payable under the parking lease between Catellus and CBBC of

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1 the adjoining property and that the City's share of rent shall be based on the proportionate  
2 share that the City's land bears to the total square footage of the applicable parking lot area;  
3 base rent shall be 10-1/4 cents per square foot per month; percentage rent shall be equal to  
4 50% of the difference between (i) net operating income (i.e. revenues less base rent and  
5 certain other expenses) and (ii) \$100,000 per year (such difference is referred to as the "NOI  
6 Base"); there shall be annual CPI adjustments to base rent and the NOI Base, commencing  
7 on the first day of the 33<sup>rd</sup> month of the term (as it may be extended); CPI adjustments shall  
8 be not less than 3% compounded annually nor more than 5% compounded annually; and  
9 there shall be an offset against rent for the amount of possessory and property interest taxes  
10 actually paid by the tenant or its subtenants with respect to the Premises; all as further  
11 provided in the Parking Lease; and, be it

12 FURTHER RESOLVED, That in order to make the economic terms of the Parking  
13 Lease parallel to those contained in the parking lease between Catellus and CBBC of the  
14 adjoining property, the Board of Supervisors authorizes and approves, pursuant to Sections  
15 23.6-1 and 6.63-1 of the Administrative Code, a credit against rent otherwise due and payable  
16 to the City in an amount equal to possessory interest taxes actually paid by CBBC with  
17 respect to the Parking Lease; and, be it

18 FURTHER RESOLVED, That the Parking Lease may provide for early access on the  
19 Premises from August 1, 1999 through March 31, 2000 for grading, paving and other  
20 purposes of improving the property to serve as a surface parking lot and that rent during the  
21 early access period shall be 5-1/8 cents per square foot per month; and, be it

22 FURTHER RESOLVED, That City shall not have any maintenance, repair or similar  
23 obligations under the Parking Lease, and the Premises shall be delivered and accepted in  
24 their as is condition; and, be it

25 FURTHER RESOLVED, That the Board of Supervisors finds that the Parking Lease is

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1 consistent with policies and purposes of Proposition B, approved by the voters of the City and  
2 County on March 26, 1996, and that it is in the City's best interest to enter into the Parking  
3 Lease with CBBC for the purposes described in this resolution and in the Parking Lease; and,  
4 be it

5 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the Parking  
6 Lease, which the ballpark project contemplates, is consistent with the General Plan and the  
7 Eight Priority Policies of Planning Code Section 101.1 for the same reasons as those set forth  
8 in the Director of Planning's report referred to above, and hereby incorporates such findings  
9 by reference as though fully set forth in this resolution; and, be it

10 FURTHER RESOLVED, That this Board of Supervisors finds and determines that the  
11 permitted use under the Parking Lease is a use necessary to and in furtherance of the  
12 ballpark at China Basin, which the City, through its Port, and the State Lands Commission  
13 have determined to be a public trust use, and specifically this Board of Supervisors finds and  
14 determines that such permitted use enhances public access to the shoreline consistent with  
15 the restrictions on use set forth in Chapter 1143 of the Statutes of 1991 of the State of  
16 California, as amended by Chapter 86 of the Statutes of 1992 and by Chapter 203 of the  
17 Statutes of 1997, and that on and after the closing of the CLTA the Premises, which will be  
18 impressed with the public trust, will be used for a trust purpose under the Parking Lease; and,  
19 be it

20 FURTHER RESOLVED, That this Board of Supervisors authorizes and urges the  
21 Director of Property to execute the Parking Lease, in the name and on behalf of the City, in  
22 substantially the form of such agreement presented to this Board of Supervisors; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
24 Property to enter into any additions, amendments or other modifications to the Parking Lease  
25 (including, without limitation, the exhibits, and further including, without limitation,

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1 modifications to the description of the leased premises upon the closing of the land transfers  
2 under the CLTA as contemplated in the Parking Lease and/or termination of the Parking  
3 Lease and addition of such leased premises to the Catellus Lease as defined in the CLTA)  
4 that the Director of Property determines, in consultation with the City Attorney, are in the best  
5 interests of the City, do not decrease the rent or otherwise materially increase the obligations  
6 or liabilities of the City, and are necessary or advisable to complete the transaction  
7 contemplated in the Parking Lease and effectuate the purpose and intent of Proposition B and  
8 this resolution, such determination to be conclusively evidenced by the execution and delivery  
9 by the Director of Property of the Parking Lease and any amendments thereto; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors authorizes and urges the  
11 Director of Property and any other officers, agents or employees of the City to take any and all  
12 steps (including, but not limited to, the execution and delivery of any and all agreements,  
13 notices, consents and other instruments or documents) as they or any of them deem  
14 necessary or appropriate, in consultation with the City Attorney, in order to consummate the  
15 Parking Lease in accordance with this resolution, or to otherwise effectuate the purpose and  
16 intent of this resolution, such determination to be conclusively evidenced by the execution and  
17 delivery by such person or persons of any such documents; and, be it

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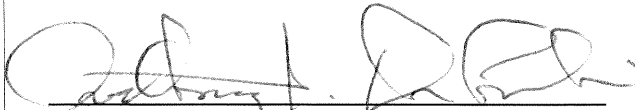
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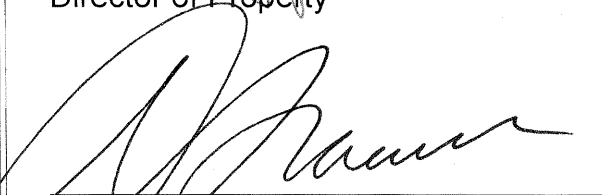
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1 FURTHER RESOLVED, That the Board of Supervisors approves, confirms and ratifies  
2 all prior actions taken by the officials, employees and agents of the City with respect to the  
3 Parking Lease.

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5 RECOMMENDED:

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9 ANTHONY J. DELUCCHI  
Director of Property

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13 MARK A. PRIMEAU  
Director of Public Works

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SUPERVISOR YAKI  
BOARD OF SUPERVISORS



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails

### Resolution

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**File Number:** 991250

**Date Passed:**

Resolution approving and authorizing a ground lease agreement between the City and County of San Francisco, as landlord, and China Basin Ballpark Company LLC ("CBBC") as tenant, concerning the lease of City-owned real property located within ballpark parking lots B and C at Third and Fourth Streets in Mission Bay South, for the construction and operation of interim surface parking lots to serve the new ballpark for the San Francisco Giants; approving, pursuant to Sections 23.6-1 and 6.63-1 of the Administrative Code, a credit against rent otherwise due and payable to the City in an amount equal to possessory interest taxes paid by CBBC with respect to the parking lease; adopting findings pursuant to the California Environmental Quality Act; adopting findings that the parking lease is consistent with the City's General Plan and Eight Priority Policies of Planning Code Section 101.1; adopting findings that the parking lease is consistent with the public trust; and ratifying prior acts.

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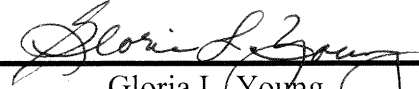
July 19, 1999 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Kaufman, Leno, Newsom, Teng,  
Yaki, Yee

Absent: 1 - Katz

File No. 991250

I hereby certify that the foregoing Resolution  
was ADOPTED on July 19, 1999 by the  
Board of Supervisors of the City and County  
of San Francisco.



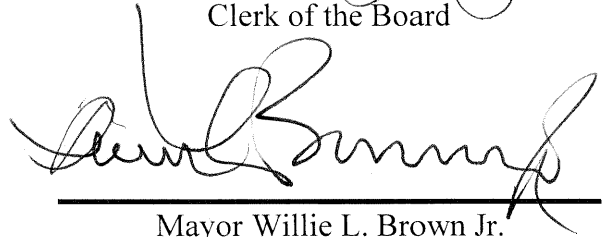
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Gloria L. Young  
Clerk of the Board

**JUL 28 1999**

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**Date Approved**



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Mayor Willie L. Brown Jr.