



Edwin M. Lee, Mayor  
Philip A. Ginsburg, General Manager

**Date:** June 1, 2017

**To:** Recreation and Park Operations Committee

**Through:** Philip A. Ginsburg, General Manager  
Dana Ketcham, Director, Permits and Property Management

**From:** Nicole Avril, Project Director, Capital Partnerships

**Subject:** Geneva Car Barn and Powerhouse CAST Partnership

---

**Agenda Item Wording:**

Discussion and possible action to authorize the Department to enter into negotiations with the Community Arts Stabilization Trust for the financing and leasing of the Geneva Car Barn and Powerhouse.

**Strategic Plan Reference:**

**Strategy 1: Inspire Public Space**

Objective 1.1: Develop more open space to address population growth in high-needs areas and emerging neighborhoods

Objective 1.4: Preserve and celebrate historic and cultural resources

**Strategy 2: Inspire Play**

Objective 2.1: Strengthen the quality, responsiveness, and accessibility of recreation programs

Objective 2.2: Strengthen and promote the safety, health and well-being of San Francisco's youth and seniors

**Strategy 3: Inspire Investment**

Objective 3.1: Increase public investment to better align with infrastructure needs and service expectation

Objective 3.3: Cultivate increased philanthropic support

**Background/Description:**

The San Francisco Recreation and Parks Department (RPD), as owner of the Geneva Car Barn and Powerhouse (the "GCBPH") and lead project manager, is part of a multi-agency coalition, which includes the Office of Economic and Workforce Development (OEWD), the Office of District 11 Supervisor Ahsha Safai, and the San Francisco Arts Commission focused on renovating and activating the GCBPH.

The GCBPH, located in San Francisco’s District 11, is the last physical reminder of San Francisco’s first electric railway system. First owned by private railway companies and then by the San Francisco Municipal Transportation Authority (SFMTA), it was occupied until 1989, at which time it was heavily damaged in the Loma Prieta earthquake.

The GCBPH sat vacant for a decade at which point Muni announced plans to demolish the building. A group of community members, the Friends of Geneva Car Barn and Powerhouse, mobilized to save the building. RPD acquired the building in 2004, at which point a Stabilization Project for the building was completed. In 2010, the GCBPH was listed on the National Register. Between 2004 and 2015, in partnership with the D11 community, the vision for GCBPH was developed as a community arts center.

**Powerhouse Development Project**

Construction will happen in two phases - Phase 1 will consist of the Powerhouse only, and Phase 2 the remainder of the Project (including the Car Barn and additional Powerhouse improvements).

The Powerhouse is 3,000 sq. feet (approx. 35’ x 89’) with 35’ high ceilings. Skylights and arched windows flood the space with natural light, and period details lend the space a hip, industrial vibe. It will be an exceptionally beautiful and unique space to hold art-related programming for youth, teens, adults and seniors. Arts programming could include visual, dance, digital, theatrical, and other performance-based arts. Additional programming, such as exercise, early childhood development, and other educational classes could be offered.

The space can be rented for short-term events such as art exhibitions and performances by community and other arts groups, and can also accommodate large events. The space will be equipped with a small catering area, a dance floor and modular wall system for exhibitions.

Improvements to be made to the Powerhouse during Phase 1 include a seismic upgrade, the installation of modern utility systems, the restoration of historic features, hazardous materials remediation, new circulation systems to accommodate ADA access, streetscape improvements, improved entrances, a new roof, restored windows, and a new floor with radiant heating. In addition, the Project will achieve a LEED Gold rating. (Please see Appendix A-C).

The Powerhouse construction cost is estimated to be approximately \$11.4M. Proposed Funding sources include:

2000 GO Bond	\$838,000
2012 GO Bond (Comm Opp Fund)	\$3,000,000
CAST	\$1,000,000
Neighborhood Asset Activation	\$306,000
Net Historic Preservation Tax Credits	\$1,280,672
Net New Market Tax Credits	\$2,099,000
RPD Capital Budget	\$410,612
Supplemental Budget Request	<u>\$2,500,000</u>
<b>NET FUNDING SOURCES</b>	<b>\$11,434,284</b>

As noted above, RPD desires to use New Market and Historic Preservation Tax Credits to help finance the project.

The overall goal of the federal New Markets Tax Credit program is to stimulate community development in “economically distressed” census tracts by creating jobs, businesses, and providing essential services to low-income residents. For the Powerhouse project to qualify for NMTCs, 60-70% of the Tenant or Subtenant organization’s staff serving the project must be low-income persons at the time of hire. “Low income persons” are persons with household income under 80% of the area median income.

The Geneva Car Barn and Powerhouse is listed on the National Register of Historic Places, and is thus also eligible for the 20% federal historic preservation tax credit (HPTC).

As City bond funds cannot be granted or loaned directly to the tax credit investment fund, RPD will use City bond funds (as well all or a portion of other City funds) to complete a portion of the improvements (the “Initial Improvements”). Upon expenditure of the City funds (Phase 1A of the Powerhouse construction project), the tax credit financing will close and the remainder of the project funding will be provided to reimburse RPD for the remainder of the Project improvements (Phase 1B).

**Partnership with CAST**

The Department believes that a partnership with CAST achieves all of the department’s primary partnership objectives, which are the following:

- Solidify Public-Private Project Partnership with Partner that has mission and vision alignment and technical and financial capacity to support Phase I and Phase II Development of GCBPH.
- Qualify for NMTC and HTC allocations.
- Close funding gap to begin Phase I construction.
- Select arts and community serving non-profit sub-tenant to program space.

CAST Mission/Model:

The mission of CAST is to create stable physical spaces for arts and cultural organizations to facilitate equitable urban transformation. CAST does this by:

- Acquiring properties to sustain arts in selected San Francisco neighborhoods
- Building the capacity of cultural organizations to lease or own property
- Bundling leases to sustain affordable rents for those not prepared to buy
- Leveraging funding to achieve this goal

CAST secures space and works with community arts organizations to help develop and strengthen their financial and organizational capacity to purchase permanent facilities and navigate complex real estate issues.

CAST works in partnership to:

- Stabilize rent for nonprofit arts organizations by freezing real estate prices in an escalating market.
- Increase the financial acumen of cultural organizations.
- Use New Market Tax Credits to bring new capital to arts facility projects.

- Involve multiple partners in San Francisco, including OEWD.
- Assist arts organizations with their capitalization by helping them gain a permanent asset without risking their operations and programs.

CAST as Tax Credit Partner:

CAST, working with City and tax credit counsel will secure the tax credit financing, including set up of the tax credit financing structure and entity, which will receive funding for Phase 1B of the Powerhouse construction. This entity will enter into contracts with RPD and others as appropriate to complete the Phase 1B improvements, as well as enter into a master sub-lease of the completed project with a Subtenant that complies with the NMTC Targeted Populations provisions. CAST will also oversee tax credit compliance reporting on its behalf.

CAST employed NMTC on their 80 Turk (CounterPulse) and 1007 Market (The Luggage Store Gallery) projects. The Director of Finance and Operations is responsible for fulfilling all NMTC requirements for these projects, including accounting, tax returns and reporting for their two NMTC investors, and also works closely the third-party accounting firm who oversees their audits and confirmation of tax credit requirement compliance reporting.

CAST Support:

CAST was launched in 2013 with a gift of \$5 million in seed funding from the Kenneth Rainin Foundation. Additional support is provided by:

- City of San Francisco’s Office of Economic Workforce Development
- Grants for the Arts/San Francisco Hotel Tax Fund
- JPMorgan Chase Bank
- National Endowment for the Arts
- Northern California Community Loan Fund
- San Francisco Arts Commission
- Surdna Foundation
- The William and Flora Hewlett Foundation.

**Proposed Partnership Terms**

Please see Appendix D for the Draft Framework for Agreements between the City and County of San Francisco and the Community Arts Stabilization Trust Regarding the Geneva Car Barn and Powerhouse.

**Outreach**

In an effort to gather input and keep the community informed of the Car Barn’s plans and progress, regular community meetings are held. Recent informational and design presentation meetings include the 2011 Sunnyside Conservatory and the El Rey 80th Anniversary events, a 2012 celebration of the 100th Anniversary of the Ingleside Terraces community, a 2013 Summer presentation at Lick Wilmerding High School for board members, volunteers and pro-bono professional services providers and on November 18, 2013 the Car Barn staff organized a community meeting at the Excelsior Library to provide an overview of the proposed LDDA and Lease agreements with RPD. In addition, a series of open community meetings were held during Fall 2009 at Balboa High School, the Ingleside Presbyterian Church, and Lick-Wilmerding High School. Presentations are made upon request at neighborhood associations as well. At each of these events the status of the project was presented, and input and feedback gathered.

The Geneva Car Barn and Powerhouse Project has presented regularly at District 11 Council and Balboa Station CAC meetings. Car Barn staff and board members have also attended Excelsior and OMI Community Convener meetings as well as meetings with youth service organizations such as the Mission YMCA and Excelsior Boys and Girls Club, the OMI-Excelsior Denman Beacon Center, cultural centers and faith-based organizations, and area high schools such as Balboa High School.

In December 2015, a community meeting was held to solicit community feedback at the Muslim Community Center. The goal was to identify the key values and principles that would guide the development of the GCBPH as a community arts and cultural center and the selection of a subtenant. In October 2016, staff presented the project at a SFMTA-sponsored open house addressing safety and future improvements near the Geneva and San Jose Avenue intersection in October 2016.

Lastly, staff attends the Friends of the Geneva Car Barn and Powerhouse Board Meetings to provide project updates on a bi-monthly basis.

**Supported by:**

District 11 Council  
Friends of the Geneva Car Barn and Powerhouse  
Ocean Avenue Association  
Office of Economic and Workforce Development  
Office of Supervisor Safai  
OMI Neighbors in Action  
Performing Arts Workshop  
San Francisco Arts Commission

**Opposed by:**

None known.

**Recommendation:**

Authorize the Department to enter into negotiations with the Community Arts Stabilization Trust for the financing and leasing of the Geneva Car Barn and Powerhouse.

**Attachments:**

Appendix A: Powerhouse – Present  
Appendix B: Powerhouse and Exterior Car Barn Renderings  
Appendix C: Site Plan and Exterior Rendering  
Appendix D: Draft Framework for Agreements between the City and County of San Francisco and the Community Arts Stabilization Trust Regarding the Geneva Car Barn and Powerhouse

## Appendix A: Powerhouse – Present

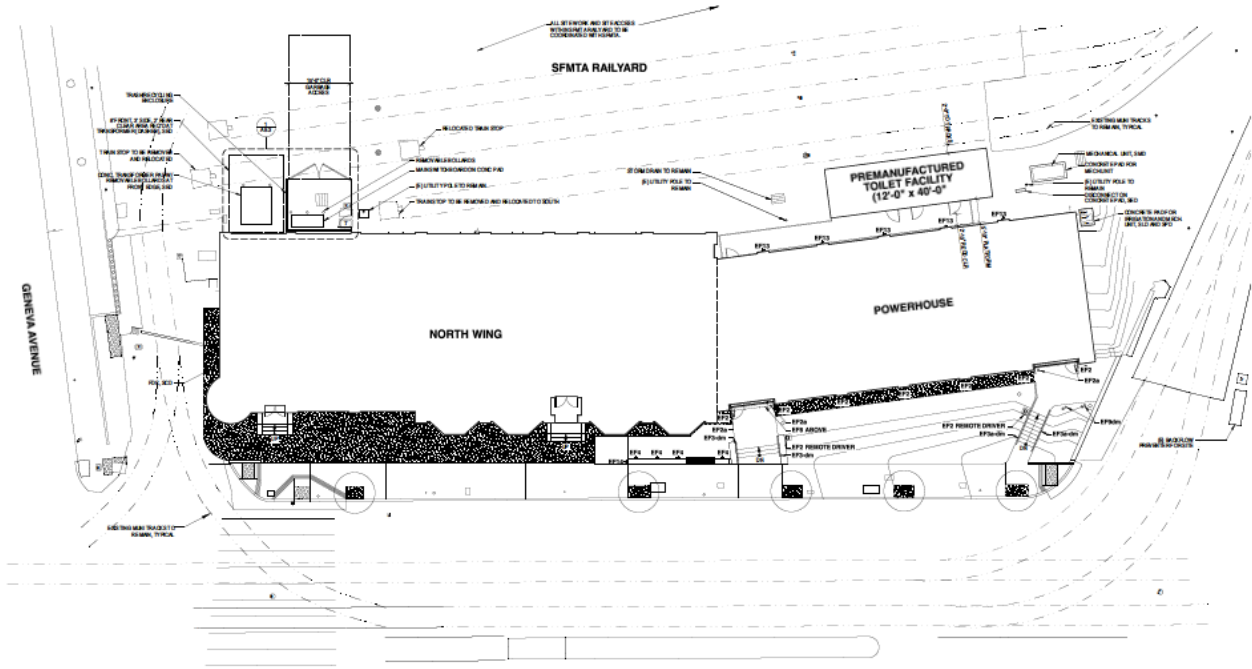




**Appendix B: Powerhouse and Exterior Car Barn Renderings**



# Appendix C: Site Plan and Exterior Rendering





**Appendix D:  
Draft Framework for Agreements between the  
City and County of San Francisco and the Community  
Arts Stabilization Trust Regarding the Geneva Car Barn and Powerhouse**

This following draft, dated \_\_\_\_\_, 2017 for reference purposes only, is intended to summarize the basic framework for the agreements between the City and County of San Francisco (the “City”) and the Community Arts Stabilization Trust (“CAST”), a California non-profit public benefit corporation, regarding improving and activating the Geneva Car Barn, which is comprised of the Geneva Powerhouse and the Geneva Office Building.

**GENEVA POWERHOUSE – CONSTRUCTION AND FINANCING**

- Geneva Powerhouse: The Geneva Powerhouse is located at 2301 San Jose Avenue in San Francisco, California (see attached **Exhibit A**). The improvements at the Powerhouse will include a seismic upgrade; new or improved streetscaping, entrances, windows, flooring, roofing, and utilities systems; restoration of historic features in accordance with the Secretary of the Interior’s Standards and Guidelines for the Treatment of Historic Places; hazardous materials remediation; and new circulation systems for ADA access. The Powerhouse will achieve a LEED Gold rating. The City intends to complete the Powerhouse improvements in two phases: 1-A and 1-B.
- Phase 1-A: Phase 1-A construction will cover an initial portion of the work, up to a total cost of approximately \$5.5 million. The City will pay for the Phase 1-A work with City funds, consisting of \$2.5 million from the General Fund and \$3 million in 2012 San Francisco "Clean and Safe Neighborhood Parks bond funds.
- Phase 1-B: Phase 1-B will cover the remainder of the project and will begin immediately after the end of Phase 1-A. The total cost of Phase 1-B is anticipated to be approximately \$ \_\_\_\_\_. These costs will be paid for through a combination of Historic Tax Credit and New Market Tax Credit equity investments and a contribution from CAST (see below).
- Historic Tax Credits: The Historic Tax Credits (HTC) program provides a 20% tax credit to projects to rehabilitate certified historic structures. Eligibility requirements include a long-term lease (55+ years) and payment of a 2% to 3% return on the historic preservation tax credit investment.
- New Market Tax Credits: The New Market Tax Credits (NMTC) program provides tax credits to a qualified active low-income investment business (QALICB) that is located in a low-income community and benefits targeted populations. The tax credit equals 39% of the original equity investment and is claimed over a 7-year period.
- QALICB and For-Profit Subsidiary: CAST will form and manage a QALICB for the Geneva Powerhouse, working with its attorneys and in cooperation with the City. The QALICB will receive the tax credit investments and other financing necessary to fully fund the Phase 1-B construction costs. CAST and the tax credit investor will also form a for-profit subsidiary of the QALICB, which will be controlled by CAST. CAST will be principally responsible to oversee tax credit compliance reporting and management/operation of the QALICB and For-Profit Subsidiary.
- To qualify for the HTC and NMTC credits, the QALICB needs to enter into a 55-year lease for the Powerhouse; receive the tax credit equity; hire employees 70% of whom

must be persons with a household income under 80% of area median income; and assist with property maintenance and related tasks. The QALICB would meet these requirements by subleasing the Powerhouse to the For-Profit Subsidiary, which would then sub-sublease the Powerhouse to the Performing Arts Workshop (PAW) for recreational programming.

**CAST Financial Contribution:** In addition to managing the QALICB and For-Profit Subsidiary, CAST will also contribute \$1,000,000 towards the Phase 1-B construction costs (including City’s construction management costs), a leverage loan for the tax credit investments, or as mutually approved by CAST and City. City and CAST may also consider allocating the contribution to pay for necessary PAW tenant improvements or any property taxes assessed on the QALICB master lease or the For-Profit Subsidiary master sublease.

**Option to Lease Office Building** In consideration of CAST’s formation and management of the QALICB and For-Profit Tax Entity and financial contribution, and if approved by the Recreation and Park Commission and Board of Supervisors, the City would grant CAST an option to lease the Office Building, which would also require that CAST finance and perform certain Office Building improvements (see further discussion below).

**GENEVA POWERHOUSE - LEASE**

**Tenant:** The QALICB

**Premises:** Geneva Powerhouse

**Term:** The Lease will be signed before the completion of Phase 1-A, and the Lease term shall be 55 years from the date City issues completion Notice of Final Completion for the Phase 1 work (the “Commencement Date, which shall be the date of the completion of Phase 1-A of Powerhouse construction (the “Completion Date”).”).

**Phase 1 Construction:** City’s contractor will perform the Phase 1 construction work. City will require its contractor to indemnify City and QALICB for any Phase 1 construction-related claims.

**Rent:** Commencing on the Commencement Date, \$5,213 per month.

**Rent Credit:** In consideration of CAST’s \$1,000,000 contribution to the Phase 1-B project, City will provide a \$625,560 rent credit to be awarded over the initial 10 years of the Lease term.

**Security Deposit:** Not required.

**Required Programming; Permitted Uses:** The QALICB (through one or more subleases) shall provide recreational, educational and cultural programming on the Powerhouse, with an emphasis on areas such as the literary, visual, dance, musical, performing, digital, design and technical arts (the “Powerhouse Primary Uses”). To support the provision of the Powerhouse Primary Uses, the QALICB (or its subtenants) shall have the right to use the a mutually-agreeable portion of the Powerhouse for: (i) administrative/office use, (ii) arts rehearsal and performance, (iii) visual, performance and design arts space, (iv) classrooms, (v) theater, and (vi) public and approved private special events and exhibitions (the “Supporting Uses”). The Powerhouse Primary Uses and the Supporting Uses shall be collectively referred to as the “Permitted Uses”. The QALICB shall be required to sublease the Powerhouse to the For-Profit Subsidiary, and to require/permit the For-Profit to sub-sublease the Powerhouse to PAW, on the

terms specified below.

Non-Structural and Interior Maintenance and Repair:

As of the Commencement Date, the QALICB shall maintain, repair, and replace (as necessary) the interior and non-structural portions of the Powerhouse in good repair and working order and in a clean, secure, safe and sanitary condition. Such maintenance and repair shall include, to City's reasonable satisfaction, normal day-to-day maintenance such as light bulb replacement and maintaining kitchen sinks, faucets, windows, doors, and painting, keeping all furniture, fixtures and equipment at the Powerhouse in a clean, neat, safe, sanitary and in good order, and routine janitorial service.

Structural and Exterior Maintenance and Repair:

QALICB shall have no obligation to maintain, repair, or replace any structural or exterior components of the Powerhouse during the period between the Commencement Date and the commencement of the Phase 2 construction project ("Phase 2 Commencement Date"). Commencing on the Phase 2 Commencement Date, QALICB shall maintain, repair, and replace (as necessary) the structural and exterior components of the Powerhouse in good repair and working order and in a clean, secure, safe and sanitary condition. City shall have no obligation to maintain, repair or replace such structural and exterior components after the Phase 2 Commencement Date.

Capital Repair Budget; Replacement Reserve Account.

The QALICB shall develop a 45-year asset reserve analysis for the Powerhouse, which shall include a schedule for repair, replacement, major maintenance, and improvement of structural components, building systems, and other capital improvements, fixtures or equipment located on or used in connection with the operation of the Powerhouse and subject to wearing out during its useful life.

Utilities and Services:

City shall provide, at its sole cost and expense, a certain level of electricity, water and gas services to the Powerhouse. The QALICB Tenant (or its subtenants) shall pay for janitorial service, garbage and recycling disposal and all telephone, fax and internet connection charges, including the cost of bringing any such service(s) to locations in the Powerhouse.

Property Taxes:

The Parties recognize that the Lease may create a possessory interest for property tax purposes. The Lease will require the QALICB to pay any and all such taxes levied prior to delinquency. If applicable law permits such taxes to be paid in installments, the QALICB may do so.

Assignment:

If CAST does not elect to exercise its option to lease the Geneva Office Building (see below), City shall have the right to require the no-fee assignment of the master lease to a City-designated entity.

Tax Credit Fees:

Tax credit financing will pay for tax credit financial and compliance reporting fees and expenses, with some fees and expenses paid at the tax credit closing or others paid from a reserve account created for such purposes at the tax credit closing.

**GENEVA POWERHOUSE – MASTER SUBLEASE**

Master Subtenant: For-Profit Subsidiary

Premises: Geneva Powerhouse

Master Sublease Term: 25 years, commencing on the Commencement Date.

Rent: Commencing on the Commencement Date, \_\_\_\_\_

Security Deposit: Not required.

Required Programming; Permitted Uses: The Permitted Uses. The For-Profit Subsidiary shall be required to sub-sublease the Powerhouse to PAW on the terms described below and on a form approved in advance by City.

Continuous Use; Full Program: The For-Profit Subsidiary shall make a good faith, reasonable effort to cause the Powerhouse to be programmed consistent with the Permitted Uses and with particular emphasis on youth-focused arts programming, with some combination of daily, weekly, or periodic classes throughout during the year. Recreational, educational and cultural programs and services that serve teens, adults, and seniors are also encouraged. The Sub-Subtenant shall exercise reasonable diligence to minimize disruptions in programming due to circumstances such as (i) programming changes, (ii) staffing changes, and (iii) changes in the sub-subtenants.

Maintenance and Repair: Same as the Master Lease.

Capital Repair Budget; Replacement Reserve Account: Same as the Master Lease.

Utilities and Services: Same as the Master Lease.

Possessory Interest Taxes: If any possessory interest is assessed on the Master Sublease, the For-Profit Subsidiary shall pay any and all such taxes levied prior to delinquency. If applicable law permits such taxes to be paid in installments, the For-Profit Subsidiary may do so.

**GENEVA POWERHOUSE – OPERATING SUB-SUBLEASE**

Sub-Subtenant: PAW, or any other sub-subtenant that is consistent with CAST’s arts-focused mission and approved by City in advance. City shall have the right to reasonably object to such Sublease.

Premises: Geneva Powerhouse

Sub-Sublease Term: Seven (7) years, commencing on the Commencement Date. Possible yearly extensions may be offered, depending on the Geneva Office Building Phase 2 construction schedule and City’s approval of such extensions. Subject to a 1-year prior notice period, the Sub-Sublease may be terminated on the commencement of Geneva Office Building Phase 2 construction, unless the parties mutually agree to allow Subtenant to halt operations at the Powerhouse during the Geneva Office Building Phase 2 construction project.

Rent: Subject to prior approval by the City, the For-Profit Tenant shall have the right to determine and receive the rent to be charged to each Sub-Subtenant. The parties agree that such rent will be no less than an amount equal to a 2-3% return on the HTC tax credit investment for the Phase 1-B project [Tax credit investment amount TBD at closing; estimated at \$1,567,000].



Property Taxes:	If any property taxes are assessed on the Lease, the Master Sub-lease, or Sub-Sublease during the term of the Sub-Sublease, the Sub-subtenant shall pay any and all such taxes levied prior to delinquency.
Management Fee:	The Sub-subtenant shall pay a monthly \$1,000 management and administration fee to CAST or the For-Profit Tenant, as determined by CAST and the For-Profit Tenant.
Required Programming; Permitted Uses:	The Sub-Subtenant shall use the Powerhouse only for the Permitted Uses, and shall make a good faith, reasonable effort to program the Powerhouse consistent with the Permitted Uses and with particular emphasis on youth-focused arts programming, by offering some combination of daily, weekly, or periodic classes throughout during the year. Recreational, educational and cultural programs and services that serve teens, adults, and seniors are also encouraged.
Continuous Use; Full Program:	The Sub-Subtenant shall exercise reasonable diligence to minimize disruptions in programming due to circumstances such as (i) programming changes and (ii) staffing changes.
Events:	A Sub-Subtenant shall have the right to use the Powerhouse for other short term uses (each, an “Event”) without City’s prior consent, provided such Event serves a recreational purpose and complies with City’s reasonable restrictions for event permitting, which include obtaining all required licenses and approvals.
Operating Agreements/ Licenses/ Permits:	A Sub-Subtenant shall have the right to permit a portion of the Powerhouse to be used by third parties provided that (i) Tenant shall have provided prior written notice to City of a proposed agreement, and City shall have the right to reasonably object to such agreement, and (ii) the proposed use of the space shall be consistent with the Permitted Uses. The rent for such agreements shall be determined and accrue to the Sub-Subtenant.
Premises Management, Staffing and Funding:	The Sub-Subtenant shall provide appropriate management and development staff for the operation of the Powerhouse, shall adequately fund the use and operation of the Powerhouse, and keep the Powerhouse in a clean, safe and sanitary condition. A Sub-Subtenant shall provide such services as may be necessary or appropriate to achieve and maintain operating standards commensurate with that of facilities managed by the Department, including, but not limited to cleaning, janitorial, and trash removal.

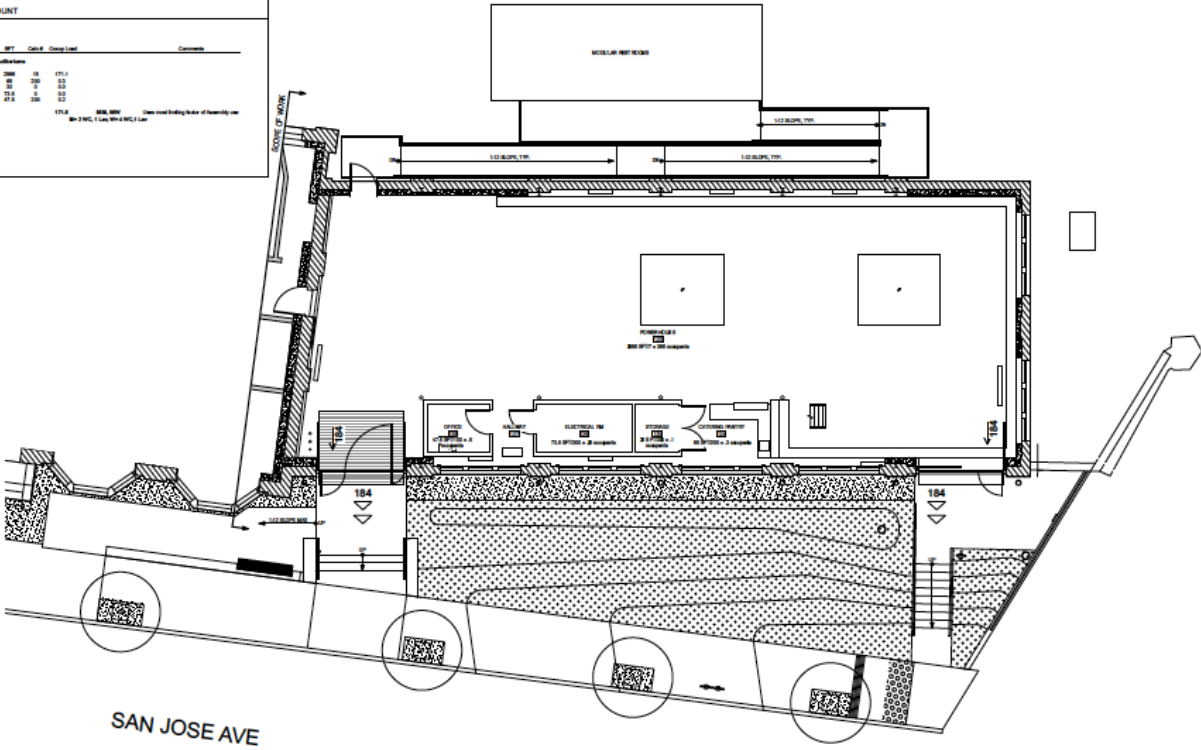
## OFFICE BUILDING

Office Building:	<p>The Phase 2 project consists of improvements to the Office Building, located at _____ (see attached <b>Exhibit B, the “North Wing”</b>). Phase 2 will include a seismic upgrade; the installation of modern utility systems; restoration of historic features in accordance with the Secretary of the Interior’s Standards and Guidelines for the Treatment of Historic Places; hazardous materials remediation; and new circulation systems for ADA access. The Office Building will achieve a LEED Gold rating and will include:</p> <ul style="list-style-type: none"><li>• Three Design/Arts Studios</li><li>• Audio and Video Production Studio</li><li>• Recording Studio</li><li>• Student Lounge</li><li>• Café</li><li>• Theater</li><li>• Community Meeting Room</li><li>• Visitor-serving Retail Space</li><li>• Stairwell connecting to the Powerhouse to the Office Building Theater Lobby/Mezzanine</li></ul>
Option to Lease:	<p>The City will, upon award of the Powerhouse Lease to the QALICB, award CAST an exclusive option to lease the Office Building for the appropriate term required by the applicable Phase 2 project financing. The lease will include fair market rent, require that CAST finance and construct the Phase 2 project, and be pursuant to a lease form mutually approved by City and CAST if approved by the RPD Commission and the Board of Supervisors.</p>
Permitted Uses:	<p>Recreational, educational and cultural programming, including opportunities for job training and apprenticeships in areas including, but not limited to, the culinary, media, literary, visual, dance, musical, performing, film/cinema/television production, digital, design and technical arts (the “Office Building Primary Uses”), and in connection therewith the Premises may be used for: (i) administrative/office use, (ii) arts rehearsals and performances, (iii) visual and design arts studios, (iv) classrooms, (v) theater, (vi) public and private special events and exhibitions, (vii) operation of a café and culinary training, and (viii) the operation of a visitor-serving retail as permitted on park property.</p>
Lease Negotiations:	<p>If CAST timely exercises its option to lease the Office Building, the parties shall have 12-months to negotiate a mutually agreeable form of lease that describes the improvements and alterations that CAST will be permitted and required to make to the Office Building at its sole cost and any rent credits that the City will provide.</p>
Option Term	<p>CAST shall have 7 years to exercise its option to lease the Office Building.</p>
Leases/Subleases	<p>To be discussed.</p>

# EXHIBIT A

## Description of Powerhouse Premises

MIRING COUNTY			
MT	Calc #	Comp Load	Comments
<b>1. Assembly, Substations</b>			
100	100	100	
101	101	101	
102	102	102	
103	103	103	
104	104	104	
105	105	105	
106	106	106	
107	107	107	
108	108	108	
109	109	109	
110	110	110	
111	111	111	
112	112	112	
113	113	113	
114	114	114	
115	115	115	
116	116	116	
117	117	117	
118	118	118	
119	119	119	
120	120	120	
121	121	121	
122	122	122	
123	123	123	
124	124	124	
125	125	125	
126	126	126	
127	127	127	
128	128	128	
129	129	129	
130	130	130	
131	131	131	
132	132	132	
133	133	133	
134	134	134	
135	135	135	
136	136	136	
137	137	137	
138	138	138	
139	139	139	
140	140	140	
141	141	141	
142	142	142	
143	143	143	
144	144	144	
145	145	145	
146	146	146	
147	147	147	
148	148	148	
149	149	149	
150	150	150	
151	151	151	
152	152	152	
153	153	153	
154	154	154	
155	155	155	
156	156	156	
157	157	157	
158	158	158	
159	159	159	
160	160	160	
161	161	161	
162	162	162	
163	163	163	
164	164	164	
165	165	165	
166	166	166	
167	167	167	
168	168	168	
169	169	169	
170	170	170	
171	171	171	
172	172	172	
173	173	173	
174	174	174	
175	175	175	
176	176	176	
177	177	177	
178	178	178	
179	179	179	
180	180	180	
181	181	181	
182	182	182	
183	183	183	
184	184	184	
185	185	185	
186	186	186	
187	187	187	
188	188	188	
189	189	189	
190	190	190	
191	191	191	
192	192	192	
193	193	193	
194	194	194 </tr	



**EXHIBIT B**

**Description of Geneva Office Building and Powerhouse Premises**

