

1 [Real Property Lease - Anderson Enterprises, Inc. - Portion of Pier 68/70 Shipyard - Initial
2 Monthly Rent of \$66,702.15]

3 **Resolution approving Port Commission Lease No. L-17093 with Anderson Enterprises,**
4 **Inc., a California corporation, located at the Pier 68/70 Shipyard for approximately**
5 **116,343 square feet of paved land and 2,010 square feet of shed space for an initial**
6 **monthly rent of \$66,702.15 and a term of three years with three mutually agreeable one-**
7 **year extension options, effective upon approval of this Resolution; and to authorize the**
8 **Executive Director of the Port of San Francisco to enter into amendments or**
9 **modifications to the Port Commission License No. L-17093 that do not materially**
10 **increase the obligations or liabilities to the City and are necessary to effectuate the**
11 **purposes of this Resolution.**

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13 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and Charter,
14 Sections 4.114 and B3.581, empower the San Francisco Port Commission ("Port
15 Commission") with the power and duty to use, conduct, operate, maintain, manage, regulate
16 and control the lands within Port Commission jurisdiction in the City and County of San
17 Francisco; and

18 WHEREAS, Anderson Enterprises, Inc. ("Anderson") is a tenant in good standing under
19 its current Lease No. L-16471 at the Pier 68/70 Shipyard (the "Existing Premises"); and

20 WHEREAS, Port Staff has negotiated with Anderson the terms of new Lease No. L-
21 17093 (the "Lease"), a copy of which is on file with the Clerk of the Board of Supervisors in
22 File No. 231112, which will have an initial three year term with threemutually agreeable one-
23 year extension options for the use of a portion of the Existing Premises comprised of
24 approximately 116,343 square feet of paved land and 2,010 square feet of shed space at the
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1 Pier 68/70 Shipyard (reduced from 128,935 square feet of paved land and 2,010 square feet
2 of shed space in the Existing Premises); and

3 WHEREAS, The permitted uses under the proposed Lease are a continuation of an
4 existing use, and has no potential to result in any new direct or indirect physical change to the
5 environment; approval of the proposed Lease is therefore not a project subject to review
6 under the California Environmental Quality Act (CEQA); and

7 WHEREAS, The Lease will initially generate revenues of approximately \$66,000 per
8 month, increasing to approximately \$71,000 per month during the last year of the initial term
9 for the 116,343 square feet of paved land and 2,010 square feet of shed space; and

10 WHEREAS, Charter, Section 9.118, requires Board of Supervisors' approval of non-
11 maritime leases under the jurisdiction of the Port Commission which either have a term in
12 excess of ten years or have anticipated revenue to the City of \$1,000,000 or more; and

13 WHEREAS, The Port anticipates revenues from this Lease to exceed \$1,000,000;
14 now, therefore be it

15 RESOLVED, That the Board of Supervisors hereby approves the proposed Lease and
16 authorizes the Executive Director of the Port or her designee to execute such Lease in a form
17 approved by the City Attorney and in substantially the same form as the Lease on file with the
18 Clerk of the Board of Supervisors in File No. 231112; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Port Executive
20 Director to enter into any additions, amendments or other modifications to the Lease that the
21 Port Executive Director, in consultation with the City Attorney, determines, when taken as a
22 whole, to be in the best interest of the Port, do not materially increase the obligations or
23 liabilities of the City or the Port, and are necessary or advisable to complete the transactions
24 which this Resolution contemplates and effectuate the purpose and intent of this Resolution,
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1 such determination to be conclusively evidenced by the execution and delivery by the Port
2 Executive Director of such documents; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of the Lease being fully executed
4 by all parties, the Port shall provide a copy of the Lease to the Clerk of the Board for inclusion
5 into the official file.

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