

File No. 111317

Committee Item No. \_\_\_\_\_

Board Item No. 28

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee \_\_\_\_\_

Date \_\_\_\_\_

Board of Supervisors Meeting

Date 1/31/12

#### Cmte Board

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/> | XX                       | Resolution                                   |
| <input type="checkbox"/> |                          | Ordinance                                    |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report                        |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings)             |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | XX                       | **Lease No. L-15004 CCSF and Bauer's Intelligent Transportation Inc. |
| <input type="checkbox"/> | <input type="checkbox"/> | (revised)  |
| <input type="checkbox"/> | <input type="checkbox"/> | _____  |
| <input type="checkbox"/> | <input type="checkbox"/> | _____  |

Completed by: Renee Craig

Date 1/26/12

Completed by: \_\_\_\_\_

Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 20 pages. The complete document is in the file.

1 [Lease of Property - Bauer Intelligent Transportation, Inc. - Pier 50]

2  
3 **Resolution approving CEQA Findings and Mitigation Monitoring and Reporting**  
4 **Program, and Port Commission Lease No. L-15004 with Bauer Intelligent**  
5 **Transportation, Inc., a California Corporation, for certain real property located at**  
6 **Pier 50, Sheds A and C, in the City and County of San Francisco, for a term of**  
7 **ten years.**

8  
9 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and  
10 the San Francisco Charter Section 4.114 and B3.581 empower the San Francisco Port  
11 Commission with the power and duty to use, conduct, operate, maintain, manage,  
12 regulate and control the lands within Port Commission jurisdiction; and

13 WHEREAS, Since August 15, 1999, Bauer Intelligent Transportation, Inc.  
14 (Bauer) through its predecessor entity, Bauer California Coach Sales and Service,  
15 Inc., has been a tenant of the Port of San Francisco at Pier 27 with premises  
16 comprised of shed, office and exterior paved space directly related to the operation,  
17 maintenance and storage of motor coach services for private, corporate and  
18 governmental use; and

19 WHEREAS, Since 1999, Bauer has been a tenant of the Port under a series of  
20 leases, the latest of which expired on September 30, 2004 and has been on a mutual  
21 month-to-month basis since; and,

22 WHEREAS, Pier 27 is currently occupied by a variety of maritime, office and  
23 industrial tenants with often conflicting uses; and

24 WHEREAS, Due to its ability to berth large Cruise ships, Pier 27 has  
25 experienced a significant increase in cruise calls in the last several years and in 2010,  
there were over 40 scheduled visits; and

//

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1  
2 WHEREAS, To accommodate passenger boarding, provisioning and security  
3 mandates, significant portions of the shed and exterior yard at Pier 27 are required to  
4 be vacated for an extended period; and

5 WHEREAS, Cruise ship operations have significantly impacted Bauer's  
6 operations; and

7 WHEREAS, Bauer has been working closely with the Port for a suitable location  
8 to accommodate their expanding operations, maintenance, storage and parking needs  
9 in a way that is not possible at Pier 27 due to existing maritime uses; and

10 WHEREAS, Pier 50 was selected by both Bauer and the Port due to its large  
11 contiguous shed space, central location to major highways and less traffic congestion  
12 than in the Northern waterfront; and

13 WHEREAS, Bauer is a Tenant in Good Standing pursuant to Port Commission  
14 policy; and

15 WHEREAS, On December 15, the Planning Commission held a public hearing  
16 and, by Motion No. 18514 certified the Final EIR as accurate, adequate, and complete  
17 by a unanimous vote of those Commissioners present, which EIR analyzed the 34<sup>th</sup>  
18 America's Cup project, and James R. Herman Cruise Terminal and Northeast Wharf  
19 Plaza at Pier 27-29 ("Cruise Terminal Project"), including evaluation of the  
20 environmental effects associated with relocation of Bauer from its existing location at  
21 Pier 27-29 to Pier 50; and

22  
23 WHEREAS, On December 16, 2011, the Port Commission approved Resolution  
24 Nos. 11-75, 11-76, 11-77, 11-78, 11-81 and 11-83, which adopted CEQA findings,  
25 including a Statement of Overriding Considerations and a Mitigation Monitoring and  
Reporting Program (MMRP) for the Cruise Terminal Project, various contracts  
associated with approving implementation of the Cruise Terminal Project, a James R.

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1 Herman and Northeast Wharf Plaza Tenant Relocation Plan, and Lease No. L-15004  
2 with Bauer for 4,370 square feet of office space in Pier 50 Shed A, approximately  
3 68,777 square feet of shed space in Pier 50 Shed C and approximately 50,347 square  
4 feet of exterior paved fenced yard and dock space adjacent to Pier 50 Shed C; and

5 WHEREAS, A copy of the form of lease is on file with the Clerk of the Board of  
6 Supervisors in File No. 111317 and is hereby declared to be part of this Resolution as  
7 is fully set forth herein (the "Lease"); and

8 ~~WHEREAS, The environmental impacts of actions contemplated in the Lease~~  
9 ~~were analyzed in a Final Environmental Impact Report ("Final EIR"), which the~~  
10 ~~Planning Commission certified on December 15, 2011, by its Motion No. 18514, which~~  
11 ~~certification action is now on appeal before the Board of Supervisors, and a copy of~~  
12 ~~the~~

13 Final EIR is contained in Board File No. 111358; and,

14 WHEREAS, San Francisco Charter Section 9.118 requires Board of  
15 Supervisors approval of leases having a term of ten (10) or more years or having  
16 anticipated revenue to the City of One Million Dollars (\$1,000,000.00) or more; and

17 WHEREAS, This Lease is likely to meet the One Million Dollar (\$1,000,000.00)  
18 threshold; and

19 WHEREAS, The lease term will be ten years commencing upon Board of  
20 Supervisor approval and upon full execution by the Port; and

21 WHEREAS, The lease will provide for an initial seven month rent abatement  
22 period to construct tenant improvements and up to \$515,000 in rent credits for core  
23 and shell improvements to Shed A and C to be deducted from the monthly rent starting  
24 in the eighth month; and

25 WHEREAS, The first year's total annual rent is approximately \$610,000 and will  
escalate incrementally on an annual basis to approximately \$1,198,000 in the tenth

1 lease year for total rent over the term of the lease of approximately \$9,000,000  
2 inclusive of rent abatement but not rent credits; and

3 WHEREAS, On December 19, 2011 and January 4, 2012, two separate  
4 appeals of the Final EIR were filed with the Clerk of the Board of Supervisors; and

5 WHEREAS, the Planning Department prepared and presented responses to the  
6 issues raised in both appeal letters and public comments presented at a public hearing  
7 held by the Board of the Supervisors on the appeal of the Final EIR on January 24,  
8 2012; and

9 WHEREAS, [On January 24, 2012, the Board of Supervisors by a vote of 10 Ayes  
10 upheld the certification of the Final EIR] in its Motion No. M12-11; and

11 WHEREAS, Port Resolution No. 11-75, the CEQA Findings and MMRP for the  
12 Cruise Terminal Project is on file with the Clerk of the Board in File No. 111317 ; now,  
13 therefore, be it

14 RESOLVED, That this Board has reviewed the Final EIR and finds that the  
15 actions contemplated by this Resolution are within the scope of the Final EIR and were  
16 fully analyzed therein, and that no changes have occurred in the project or in the  
17 circumstances surrounding the project, nor has any new information regarding the  
18 project or its circumstances come to light, that would require changes or additions to  
19 the Final EIR; and be it

20 FURTHER RESOLVED, That the Board of Supervisors adopts the CEQA  
21 Findings, including the statement of overriding considerations and MMRP set forth in  
22 Port Commission Resolution No. 11-75 and incorporates those findings in this  
23 approval action as though fully set forth herein; and be it

24 FURTHER RESOLVED, That the Board of Supervisors approves the Lease;  
25 and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive  
Director of the Port (the "Executive Director") or her designee to execute the Lease in  
Supervisor Chiu

1 a form approved by the City Attorney and in substantially the form of the lease on file;  
2 and, be it

3       FURTHER RESOLVED, That the Board of Supervisors authorizes the  
4 Executive Director to enter into any additions, amendments or other modifications to  
5 the Lease (including, without limitation, preparation and attachment of, or changes to,  
6 any or all of the exhibits and ancillary agreements) that the Executive Director, in  
7 consultation with  
8 the City Attorney, determines is in the best interest of the Port, do not alter the rent or  
9 the Port's projected income from the Lease, do not materially increase the obligations  
10 or liabilities of the Port or City or materially decrease the public benefits accruing to the  
11 Port, and are necessary or advisable to complete the transactions contemplate and  
12 effectuate the purpose and intent of this Resolution, such determination to be  
13 conclusively evidenced by the execution and delivery by the Executive Director of any  
14 such documents.

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24  
25

\*\* Complete copy of document is located in

File No. 111317



**COPY**

**CITY AND COUNTY OF SAN FRANCISCO  
EDWIN M. LEE, MAYOR**

**LEASE NO. L-15004**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF SAN FRANCISCO  
OPERATING BY AND THROUGH THE  
SAN FRANCISCO PORT COMMISSION**

**AND**

**BAUER'S INTELLIGENT TRANSPORTATION, INC.,  
A CALIFORNIA CORPORATION**

**PIER 50**

**MONIQUE MOYER  
EXECUTIVE DIRECTOR**

**SAN FRANCISCO PORT COMMISSION**

**DOREEN WOO HO, PRESIDENT  
KIMBERLY BRANDON, VICE PRESIDENT  
FRANCIS X. CROWLEY, COMMISSIONER  
LESLIE KATZ, COMMISSIONER  
ANN LAZARUS, COMMISSIONER**

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