

1 [Conceptual Term Sheet Endorsement - JPPF OP Acquisitions, LLC (“Jamestown”) -
2 Proposed Lease of Pier 29 Bulkhead]

3 **Resolution endorsing the Conceptual Term Sheet between the Port and JPPF OP**
4 **Acquisitions, LLC (“Jamestown”) for a proposed 15-year lease of approximately 20,000**
5 **square feet of space at the Pier 29 Bulkhead Building, located at Chestnut Street and**
6 **the Embarcadero.**

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8 WHEREAS, Charter, Section B3.581 empowers the Port Commission with the power
9 and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the
10 City and County of San Francisco; and

11 WHEREAS, On December 8, 2015, the Port Commission, by Resolution 15-41,
12 authorized Port staff to issue a request for proposals for the Retail Leasing Opportunity at the
13 Pier 29 Bulkhead Building located at Chestnut Street and the Embarcadero; and

14 WHEREAS, On December 23, 2015, the Port issued the Request for Proposals for the
15 Retail Leasing Opportunity at the Pier 29 Bulkhead Building (the “RFP”); and

16 WHEREAS, On April 26, 2016, by Resolution 16-17, the Port Commission awarded
17 Jamestown an exclusive right to negotiate with the Port for a 15-year lease of
18 approximately 20,000 square feet located at the Pier 29 Bulkhead Building (the “Lease”); and

19 WHEREAS, The Port and Jamestown entered into an Exclusive Negotiation
20 Agreement (“ENA”) that sets forth the process, terms and conditions upon which the Port and
21 Jamestown will negotiate terms for a lease; and

22 WHEREAS, Among other things, the project is intended to achieve the following Port
23 objectives: complement the Port’s \$114,000,000 investment in the James R. Herman Cruise
24 Terminal and Cruise Terminal Park; provide a retail-based use concept that will serve to
25 augment the rich experience of visitors, cruise ship passengers, businesses and residents in

1 the Northeast Waterfront and highlight and promote that which is unique to our region and
2 culture; provide for an adaptive reuse of a vacant facility to a public-oriented use that
3 conforms to the Secretary of the Interior Standards for Treatment of Historic Properties and
4 contributes to the integrity of the Embarcadero Historic District; provide, through collaboration
5 with SFMade, a venue where San Francisco’s rich art, design and local manufacturing
6 community can introduce, display and sell its products; and

7 WHEREAS, On January 10, 2017, by Resolution 17-04, the Port Commission: (a)
8 determined that the use proposed by Jamestown for a retail use in the Pier 29 Bulkhead
9 Building is consistent with the Waterfront Land Use Plan (the “WLUP”), and (b) endorsed
10 Conceptual Term Sheet (the “Term Sheet”), which sets forth the essential terms upon which
11 the Port and Jamestown will negotiate in good faith to reach agreement on the final Lease;
12 and

13 WHEREAS, The Term Sheet is on file with the Clerk of the Board of Supervisors in
14 File No. 170128, and is incorporated herein by reference; and

15 WHEREAS, Although this project does not trigger the dollar thresholds for fiscal
16 responsibility and feasibility analysis and is not a “development project” such that Board of
17 Supervisors’ review of the Term Sheet is required, Port and Jamestown wish to obtain the
18 endorsement of the Term Sheet by the Board of Supervisors; and

19 WHEREAS, Long-term use and development opportunities for the Pier 29 shed will be
20 informed by the Waterfront Plan Update process, although short-term leases in the Pier 29
21 shed will continue to address revenue objectives; and

22 WHEREAS, The Term Sheet is not itself a binding agreement that commits the Port or
23 Jamestown to proceed with the approval or implementation of the project and the project will
24 first undergo environmental review under the California Environmental Quality Act (“CEQA”)
25 and will be subject to public review in accordance with the processes of the Port Commission,

1 the Board of Supervisors, other City departments and offices, and other government agencies
2 with approval over the proposed Lease before any entitlements and other regulatory
3 approvals required for the Lease will be considered; now, therefore, be it

4 RESOLVED, That the Board of Supervisors hereby endorses the Term Sheet; and, be
5 it

6 FURTHER RESOLVED, That endorsement of the Term Sheet does not commit the
7 City to approval of the final Lease or grant any entitlements to Jamestown, nor does the Term
8 Sheet foreclose the possibility of considering alternatives to the proposal, mitigation measures
9 to reduce or avoid any significant impacts or from deciding not to grant entitlement or approve
10 the Lease, after conducting appropriate environmental review under CEQA, and, while the
11 Term Sheet identifies certain essential terms of a proposed transaction, it does not
12 necessarily set forth all of the material terms and conditions of any final Lease; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors will not take any discretionary
14 actions committing the City to implement the project, and the provisions of the Term Sheet are
15 not intended and will not become contractually binding unless and until the Port Commission
16 has reviewed and considered environmental documentation prepared in compliance with the
17 CEQA and the Port Commission, and as applicable, the Board of Supervisors and the Mayor,
18 have approved the final Lease.

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