San Francisco Recreation and Park Commission Resolution Number 1006-008 June 17, 2010

Resolution approving and authorizing, subject to the approval of the Board of Supervisors, the execution, delivery and performance of a Real Property Transfer Agreement between the City and County of San Francisco and the Redevelopment Agency of the City and County of San Francisco for Certain City Property at Candlestick Point and adopting CEQA findings, including a statement of overriding considerations and a mitigation monitoring and reporting program, in furtherance of the Candlestick Point and Phase 2 of the Hunters Point Shipyard Redevelopment Project.

WHEREAS, Improving the quality of life of the residents of Bayview Hunters Point ("BVHP"), is one of the City's highest priorities. Expediting the revitalization of BVHP will provide long overdue improvements to the BVHP community that will also benefit the City as a whole. Both the Hunters Point Shipyard and the Candlestick Activity Node, as defined in the Bayview Hunters Point Redevelopment Plan (the "Candlestick Site," together with Phase 2 of the Hunters Point Shipyard, the "Project Site"), are part of BVHP and together they make up the largest area of under-used land in the City; and,

WHEREAS, The Candlestick Site includes, among other things: (i) the Candlestick Point State Recreation Area (the "CP State Recreation Area"), much of which is severely under-improved, under-used and under-funded, and the restoration and improvement of which has been a long-term goal of BVHP residents, the City and the State of California; and (ii) the City-owned stadium, currently named Candlestick Park (the "Existing Stadium"), which is home to the San Francisco 49ers and is nearing the end of its useful life; and,

WHEREAS, For many years, the City and the Redevelopment Agency of the City and County of San Francisco (the "Agency") have been working together to bring about the revitalization of the Shipyard and the Candlestick Site, and in early 2007, the City's Board of Supervisors and the Agency Commission endorsed a Conceptual Framework for the integrated development of these two areas; and,

WHEREAS, On June 3, 2008, the City's voters passed Proposition G, which: (i) adopted overarching policies for the revitalization of the Project Site; (ii) authorized the conveyance of the real property owned by the City at Candlestick Point under the jurisdiction of the City's Recreation and Park Department ("RecPark") provided that there is a binding commitment to replace the transferred property with other property of at least the same acreage that will be improved and dedicated as public parks or open space in the Project Site and further provided that the Board of Supervisors finds that the conveyance

is consistent with the policies contained in Proposition G; and (iii) urged the City, the Agency and all other governmental agencies with jurisdiction to proceed expeditiously with revitalization of the Project Site. Proposition G satisfied the requirement of City's Charter 4.113 that no City park land may be sold for non-recreational purposes unless approved by a vote of the electors; and,

WHEREAS, In 2009, the State legislature approved and the Governor signed and filed with the Secretary of State Senate Bill Number 792 ("SB 792"), providing for the reconfiguration of the CP State Recreation Area and improvement of the State's park lands, in connection with the development of the Project Site. SB 792 permits the exchange of certain public trust lands and the reconfiguration and improvement of CP State Recreation Area, in furtherance of state public trust, park and redevelopment purposes. The City and the Agency are entering into agreements to effectuate the proposed reconfiguration consistent with SB 792; and,

WHEREAS, The City's Planning Department and the Agency have undertaken a planning and environmental review process for the Project (as defined below) and provided for appropriate public hearings before the Planning Commission and the Agency Commission; and,

WHEREAS, There have been more than 250 public meetings, workshops and presentations over the past three years on every aspect of the Project, including meetings before this Commission, the Agency Commission, the Planning Commission, the Board of Supervisors and other City commissions and advisory and community groups; and,

WHEREAS, The Planning Commission and the Agency Commission, respectively, reviewed and considered the Final Environmental Impact Report for the Project (the "EIR") in Planning Department File No. 2007.0946E, consisting of the Draft EIR and the Comments and Responses document, and the Planning Commission found that the contents of said report and the procedures through which the EIR was prepared, publicized and reviewed complied with the provisions of the California Environmental Quality Act (CEQA), the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") and found further that the EIR reflects the independent judgment and analysis of the City and is adequate, accurate, and objective and that the Comments and Responses document contains no significant revisions to the Draft EIR and certified the completion of the EIR in compliance with CEQA,; a copy of certification motion is on file with the Planning Department; and

WHEREAS, the EIR files available from the Planning Department have been made available to the Commission and the public and this Commission has reviewed and considered the information in the EIR and the proposed CEQA Findings in furtherance of the actions contemplated by this Resolution, including a statement of overriding considerations, and the proposed mitigation, monitoring and reporting program, attached to this Resolution as Attachments A and B, respectively, and,

WHEREAS, The Planning Commission determined that the Project, and the various actions being taken by the City and the Agency to approve and implement the Project, are consistent with the General Plan and with the Eight Priority Policies of City Planning Code Section 101.1, and made findings in connection therewith (the "General Plan Consistency Determination"), a copy of which is on file with the Planning Department and is incorporated into this Resolution by reference; and,

WHEREAS, After years of planning and negotiations, and following certification the EIR, the Agency entered a disposition and Development Agreement (the "DDA") with CP Development Co., a Delaware limited partnership ("Developer"), for the redevelopment of the Project Site (the "Project"). At full build-out, the Project is anticipated to include: over 300 acres of public park and open space improvements; 10,500 homes for sale or rent; 885,000 square feet of retail uses; about 2,650,000 square feet of green office, science and technology, and research and development uses; a 150,000 square foot hotel; a 10,000-seat arena or other public performance site; a 300-slip marina; a site in the Shipyard Site for a new stadium if the 49ers and the City timely determine that the stadium is feasible; and up to 2,500,000 square feet of additional green office, science and technology, research and development, and industrial uses if the stadium is not built. The Project is consistent with the Conceptual Framework and Proposition G; and,

WHEREAS, The Board of Supervisors is considering a series of actions and approvals in furtherance of the Project, including the adoption of amendments to the Hunters Point Shipyard Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan and various other actions to implement the Project; and,

WHEREAS, To implement the Project, the Agency, the City and Developer have negotiated, among other agreements, an Agreement for the Transfer of Real Property, dated as of June 3, 2010, by and between the City, acting by and through RecPark and DPW, and the Agency (the "RecPark Land Transfer Agreement"). A copy of the RecPark Land Transfer Agreement is on file with RecPark; and,

WHEREAS, Under the RecPark Land Transfer Agreement, the City agrees to transfer to the Agency at no cost the City's interest in the real property at Candlestick Point, including the land currently leased to the San Francisco 49ers, and the Agency agrees to accept the same on an "As-Is With All Faults" condition. The Agency agrees to use and dispose of this property in furtherance of the Project and for no other purpose, and in accordance with the requirements of Proposition G, including the requirement that the property currently under the jurisdiction of RecPark (the "RecPark Property") not be transferred for development until there is a binding commitment to create new public park or open space land areas at least equal in size to the portion of the RecPark Property to be conveyed or used for non-recreational purposes, as more particularly described in Proposition G; and,

WHEREAS, Under the RecPark Land Transfer Agreement, the Agency covenants and agrees to convey the RecPark Property to Developer as and when required

under the DDA, subject to satisfaction of the conditions of transfer set forth in the DDA, including the requirements of Proposition G; and,

WHEREAS, Under the RecPark Land Transfer Agreement, the City has no obligation to convey, and the Agency has no obligation to accept, all or any part of the property currently leased to the 49ers before the 49ers lease terminates or expires and the 49ers vacate the leased premises. Promptly following the 49ers departure, the City will convey the leased premises to the Agency as contemplated by the RecPark Land Transfer Agreement; and,

WHEREAS, Under the RecPark Land Transfer Agreement, the City agrees that it will not amend the City's existing lease with the 49ers to extend the term beyond the current outside termination date (May 2023), unless the extension is approved by the Agency, Developer, and State Parks; and,

WHEREAS, There is no cash consideration paid by the Agency to the City for the property transferred to the Agency under the RecPark Land Transfer Agreement. The Agency's covenant and agreement to use the Property for the development of the Project is valid and binding consideration for the City's conveyance of the Property. Because of the creation of the new park lands as part of the Project, this Commission finds and agrees that the public interest or necessity demands, and will not be inconvenienced by, the conveyance of the real property to the Agency as contemplated by the RecPark Land Transfer Agreement. This Commission further finds and agrees that the City will receive significant value from the development of the Project, including the many public and community benefits and the parks and open spaces to be provided by the Project; and now, therefore, be it,

RESOLVED, That in order to effectuate the redevelopment of the Project Site, and consistent with the requirements of Proposition G, this Commission hereby adopts the CEQA Findings, including the Statement of Overriding Considerations, attached to this Resolution as Attachment A and adopts the Mitigation Monitoring and Reporting Program, attached to this Resolution as Attachment B, both of which are incorporated into this Resolution by this reference; and, be it

RESOLVED, That in order to effectuate the redevelopment of the Project Site, and consistent with the requirements of Proposition G, this Commission approves the RecPark Land Transfer Agreement substantially in the form on file with RecPark subject to the approval of the City's Board of Supervisors, and recommends approval of the RecPark Land Transfer Agreement to the Board of Supervisors; and, be it

FURTHER RESOLVED, That this Commission authorizes the RecPark General Manager to execute and deliver the RecPark Land Transfer Agreement, and to take such actions as are required to implement the RecPark Land Transfer Agreement following the Board of Supervisors' approval of the RecPark Land Transfer Agreement, and, be it

FURTHER RESOLVED, That all actions previously taken by RecPark staff with respect to the RecPark Land Transfer Agreement are hereby approved, confirmed and ratified; and, be it

FURTHER RESOLVED, That this Commission authorizes the Mayor and the City Administrator, together with the RecPark General Manager and any other affected City department, to enter into any amendments or modifications to the RecPark Land Transfer Agreement that they determine, in consultation with the City Attorney, are in the best interest of the City, do not materially decrease the benefits to or materially increase the obligations or liabilities of the City, and are in compliance with all applicable laws, including the City Charter.

I hereby certify that the foregoing resolution was adopted at the Recreation and Park Commission meeting held on June 17, 2010.

Margaret A. McArthur, Commission Secretary