

RESOLUTION NO. 48-2010

Adopted as amended May 4, 2010

AUTHORIZING AN AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS ARTS COMMISSION, AND THE MEXICAN MUSEUM, A CALIFORNIA NONPROFIT CORPORATION, FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$820,000, TO COLLABORATIVELY DEVELOP AND IMPLEMENT A PREDEVELOPMENT PLAN FOR A NEW MUSEUM ASSOCIATED WITH A NEW MIXED-USE PROJECT ON A SITE THAT INCLUDES 706 MISSION STREET (ASSESSOR'S BLOCK 3706, LOT 93) AND AGENCY DISPOSITION PARCEL CB-1-MM (ASSESSOR'S BLOCK 3706, PORTION OF LOT 277); YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. On July 15, 2008, the Agency Commission authorized a Memorandum of Understanding (the "Original MOU") with the City and County of San Francisco, acting by and through its Arts Commission (the "SFAC"), and the Mexican Museum (the "Museum"), to collaboratively develop and implement a predevelopment plan for a new museum associated with a new mixed-use project on a site at Third and Mission Streets in the Yerba Buena Center Redevelopment Project Area. The site includes a privately owned parcel, identified as 706 Mission Street, and an Agency-owned parcel, identified as Agency disposition parcel CB-1-MM.
2. The Original MOU was for a one-year term and included an amount not to exceed \$280,000. At that time, the Agency Commission also authorized an exclusive negotiations agreement with a developer to build the mixed-use project, which includes a residential tower with a new museum facility in the base (the "New Museum Facility") and renovation of an adjacent historically important building at 706 Mission Street (collectively, the "Mixed-Use Project").
3. The Original MOU was amended on August 4, 2009 to extend the initial term for one year to July 15, 2010 and to modify the requirements related to the disbursement of funds. The funds were subsequently released to the SFAC for disbursement to the Museum according to the terms of a grant agreement between the SFAC and the Museum.
4. Over the last year, the Museum has made a great deal of progress. The Museum has held several exhibits, reopened its doors at the Fort Mason Center, initiated a multi-year audit, and submitted a plan for hiring additional staff. However, additional time and resources are needed to undertake the predevelopment and planning activities related to the New Museum Facility and to continue building the financial and operational strength of the Museum.