

RESOLUTION NO. 106-2010

Adopted August 17, 2010

AUTHORIZING A SECOND AMENDMENT TO THE REIMBURSEMENT AGREEMENT WITH THE CALIFORNIA STATE LANDS COMMISSION TO PERFORM WORK RELATED TO LAND EXCHANGE NEGOTIATIONS AND PUBLIC TRUST ISSUES FOR THE CANDLESTICK POINT – HUNTERS POINT SHIPYARD PHASE 2 PROJECT IN THE AMOUNT OF \$50,000, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$100,000; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS

BASIS FOR RESOLUTION

1. In June of 2009, the Redevelopment Agency of the City and County of San Francisco (“Agency”) executed a reimbursement agreement with the California State Lands Commission in the amount of \$40,000 for work related to land exchange, public trust and title issues at the Hunters Point Shipyard and Candlestick Point (“Reimbursement Agreement”). The Reimbursement Agreement covers work related to land trust negotiations, review for public trust consistency, review for granting statute consistency, legal review, title and boundary analysis, review and analysis of land appraisals, participation in public meetings and working groups, processing and preparing state legislation to effectuate a title settlement and land exchange, and related tasks.
2. Additional tasks were subsequently identified, including new tasks related to boundary mapping and survey work to determine the scope and extent of trust termination and trust addition parcels and other related surveying. Accordingly, the Agency executed a First Amendment to the Reimbursement Agreement in March of 2010, in the amount of \$10,000 for a total contract amount not to exceed \$50,000.
3. Since entering into the Reimbursement Agreement with the State Lands Commission in June of 2009 and the First Amendment to the Reimbursement Agreement in March of 2010, State Lands has worked with Agency and City staff to complete a number of tasks associated with the land exchange including legal review of the Trust Exchange Agreement and related documents for consistency with the public trust, initiation of title and boundary analysis of the Project site, review of a land appraisal and review of the land exchange and related documents for consistency with the requirements of SB 792.
4. Due to a number of complexities in the negotiations related to public trust issues and the need for further boundary analysis and photogrammetric survey work of the Candlestick and Hunters Point areas related to the review and adoption of a public trust exchange agreement for the Candlestick Point – Hunters Point Shipyard Phase 2 Project (“Trust Exchange Agreement”), Agency staff seeks authorization to enter into a Second Amendment to the Reimbursement


Agreement with the State Lands Commission to increase the amount by \$50,000, for a total contract amount not to exceed \$100,000.

5. The costs of the Second Amendment to the Reimbursement Agreement are fully reimbursable by CP Development Co., LP, a joint venture between Lennar and Scala Real Estate Partners, Hillwood, and Estein and Associates, USA (the "Developer") as provided by the Phase 2 Disposition and Development Agreement for the Project.
6. Agency staff recommends authorizing the Executive Director to enter into a Second Amendment to the Reimbursement Agreement with the State Lands Commission for land exchange, public trust and title issues for the Candlestick Point – Hunters Point Shipyard Phase 2 Project in the amount of \$50,000, for a total contract amount not to exceed \$100,000.
7. Agency authorization of the Second Amendment to the Reimbursement Agreement would allow for continuation of work by State Lands on the land exchange, public trust and title issues for the Candlestick Point – Hunters Point Shipyard Phase 2 Project. This action is an Agency administrative activity that is not a Project, as defined by California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5). The Second Amendment to the Reimbursement Agreement will not independently result in a physical change in the environment and is not subject to environmental review under CEQA. The Reimbursement Agreement provides for State Lands' participation related to land exchange negotiations and public trust issues for the Project, is statutorily exempt from environmental review pursuant to Section 15262 of the State CEQA Guidelines (Feasibility and Planning Studies), and would not result in a significant effect on the environment.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a Second Amendment to the Reimbursement Agreement with the State Lands Commission to provide for the State Lands Commission's ongoing assistance with land exchange, public trust and title issues for the Candlestick Point – Hunters Point Shipyard Phase 2 Project in the amount of \$50,000, for a total contract amount not to exceed \$100,000, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


for James B. Morales
Agency General Counsel