

RESOLUTION NO. 106-2011

Adopted October 18, 2011

APPROVING A PREDEVELOPMENT PLAN FOR MUSEUM SPACE IN A PROPOSED MIXED-USE PROJECT ON A SITE AT 706 MISSION STREET (ASSESSOR'S BLOCK 3706, LOT 93) AND AGENCY DISPOSITION PARCEL CB-1-MM (ASSESSOR'S BLOCK 3706, PORTION OF LOT 277) AS REQUIRED UNDER THE 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

BASIS FOR RESOLUTION

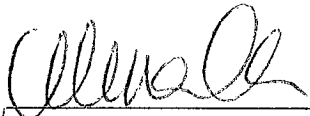
1. On May 4, 2010, by Resolution No. 48-2010, the Agency Commission authorized an Amended and Restated Memorandum of Understanding (the "MOU") with The Mexican Museum (the "Museum") and the San Francisco Arts Commission (the "SFAC") to provide \$820,000 in grant funds for predevelopment and planning activities related to a new museum (the "Museum Space") associated with a new mixed-use project on a site at Third and Mission Streets in the now-expired Yerba Buena Center Redevelopment Project Area. The site includes a parcel owned by 706 Mission Street Co LLC and an Agency-owned parcel, identified as Agency disposition parcel CB-1-MM.
2. The MOU requires the Museum, with assistance from the SFAC, to develop and implement a predevelopment plan that details the steps the Museum will take to complete construction of the Museum Space and achieve long-term operational and financial sustainability (the "Predevelopment Plan").
3. The Museum has spent much of the last year developing the Predevelopment Plan, which has been reviewed and approved by the SFAC. Agency staff has also reviewed the Predevelopment Plan, and is recommending approval.
4. Upon approval by the Commission, \$200,000 in funding will be released to the Museum pursuant to the MOU for implementation of the Predevelopment Plan. The Museum will then be required to submit written reports to the Agency and SFAC detailing the progress it has made in implementing the plan, meeting predevelopment and fundraising milestones, and accounting for the use of the grant funds.
5. The MOU places a legally binding obligation on the Agency to review and approve the Predevelopment Plan. The Agency's approval of the Predevelopment Plan triggers the release of \$200,000 in funding to the Museum for implementation of the Predevelopment Plan. \$100,000 of these grant funds were previously transferred from the Agency to the SFAC, and disbursement of the remaining \$100,000 is authorized pursuant to Section B(3) of the MOU.

6. Approval of the Predevelopment Plan, which triggers the disbursement of the remaining \$100,000 in grant funds, is an enforceable obligation required by the terms of the MOU. As a result, it does not violate the restrictions on contracting set forth in AB 1X 26, California Health and Safety Code Section 34167(d).
7. Approval of the Predevelopment Plan fulfills a milestone of the MOU and is an Agency administrative activity that is not a "project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5). This action will not independently result in a physical change in the environment and is not subject to environmental review under CEQA. Subsequent Agency actions are required to implement development of the Museum Space.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the 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) pursuant to the 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, is approved in the form submitted by the Museum.

APPROVED AS TO FORM:



James B. Morales
Agency General Counsel