RESOLUTION NO. 88-2001
Adopted May 22, 2001

AUTHORIZING A FIFTH AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE JEWISH MUSEUM SAN FRANCISCO, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION, REGARDING THE PURCHASE AND DEVELOPMENT OF THE JESSIE STREET SUBSTATION, PARCEL CB-1-JSS, LOCATED ON CENTRAL BLOCK ONE, BOUNDED BY MARKET, MISSION, THIRD AND FOURTH STREETS, TO REVISE THE PERFORMANCE SCHEDULE, THE DEVELOPMENT PROGRAM AND OTHER TERMS AND CONDITIONS OF THE AGREEMENT; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the “Agency”) entered into a Disposition and Development Agreement dated as of November 14, 1995 (the “DDA”) with The Jewish Museum San Francisco, a California non-profit public benefit corporation (the “Developer”), for the purchase of the Jessie Street Substation and development of a museum on Parcel CB-1-JSS through the adaptive reuse of the Jessie Street Substation (“Museum”), located north of Mission Street between Third and Fourth Streets, in that portion of the Yerba Buena Center Redevelopment Project Area commonly referred to as Central Block One (“the Site”).

2. The Redevelopment Agency Commission ("Agency Commission") approved the First, Second, Third and Fourth Amendments to the DDA, respectively, on November 12, 1996, April 2, 1997, November 10, 1998, and April 25, 2000, respectively.

3. The Agency Commission has also approved on February 13, 2001 a proposed schematic design, that provides for the construction of the Jessie Square Garage in part under a portion of the Site “Garage”). The Garage will be constructed and operated by an affiliate of Millennium Partners, the Jessie Square Garage Partners LLC, a Delaware limited liability company (“Garage Developer”).

4. The Developer will benefit from the construction of the approved Jessie Square Garage design in that Millennium Partners has agreed to construct through its affiliate the structural foundations for the Museum Building and perform structural reinforcement of the historic south façade of the Jessie Street Substation, which have a value of approximately $4.8 million to Developer. The Developer will also achieve additional cost savings due to the elimination of a previously planned underground Museum program area.

5. Millennium Partners will be compensated by the economic value of the increased parking spaces made possible by the approved Schematic Design and the proposed transfer of transferable development rights (“TDR”) from the Site and from the owner of the Planters Hotel property (Agency Disposition Parcel 3537-C, Lot 8 of Assessor’s Block 3735).

6. Accordingly, the Developer has requested the Agency’s approval of a Fifth Amendment to the DDA, to revise the Developer’s rights and obligations based on a proposed revision of the
proposed Museum design and to amend the Schedule of Performance for the following reasons:

A. The Developer has achieved a significant portion of the fund raising needed to construct the Museum in accordance with the DDA and has asked the Agency for assistance in bridging the remaining funding gap.

B. Developer has agreed to reduce the program area of the Museum and relinquish to Agency the development rights and obligations as to certain sub-grade portions of the Site. This relinquished portion of the Site shall be combined with additional Agency land beneath the Site (jointly “the Garage Expansion Parcel”) to be leased to Garage Developer, thereby increasing the amount of parking in the Garage for the benefit of the public, accomplish other public purposes that Agency seeks to advance in the Project Area in a timely and effective manner, and realize significant cost savings to Developer.

C. The Agency has previously determined that the construction of underground parking in the subsurface area below the Museum would address a portion of the parking and loading needs of the public and the visitors to, and operators of the Museum, as well as other cultural institutions, commercial developments, and other improvements, which have been, or are to be, constructed in the Project Area.

D. The additional parking in the Garage which will be facilitated by the Developer’s revised Museum design and relinquishment of certain of its sub-grade development rights and obligations, will facilitate reliable, convenient and safe access for the public and the users of improvements in the Project Area as well as users of the improvements proposed for the portion of Central Block One adjacent to the Site.

7. Accordingly, the Agency and Developer desire to further amend the DDA.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco, that the Executive Director is authorized to enter into and execute a Fifth Amendment to the Disposition and Development Agreement with The Jewish Museum San Francisco, a California non-profit public benefit corporation, substantially in the form lodged with Agency General Counsel, and to execute any and all other ancillary documents and conveyance instruments necessary to carry out and administer such Disposition and Development Agreement.

APPROVED AS TO FORM:

[Signature]
Bertha A. Ontiveros
Agency General Counsel