RESOLUTION NO. 187-2002
Adopted October 22, 2002

AUTHORIZING THE SEVENTH AMENDMENT TO THE AGREEMENT FOR DISPOSITION OF LAND FOR PRIVATE DEVELOPMENT WITH THE MEXICAN MUSEUM, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, THAT REVISES THE DEVELOPMENT SCHEDULE AND REQUIREMENTS FOR A MUSEUM BUILDING ON PARCEL CB-1-MM, THE NORTH SIDE OF MISSION STREET BETWEEN THIRD AND FOURTH STREETS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. On June 1, 1993, by Resolution No. 92-93, the Redevelopment Agency Commission of the City and County of San Francisco ("Agency Commission") approved an Agreement for Disposition of Land for Private Development dated as of July 30, 1993 (the "LDA") with The Mexican Museum, a California nonprofit public benefit corporation (the "Museum"), for the purchase and development of Parcel CB-1-MM, located on the northerly side of Mission Street between Third and Fourth Streets in the Yerba Buena Center Redevelopment Project Area.


3. On June 20, 2000, by Resolution No. 92-2000, the Agency Commission authorized execution of a Fifth Amendment to the LDA which extended the LDA performance dates and provides for other modifications, including a provision for the Agency's execution of a lease of the museum building facility to the Museum after construction of the museum substructure and superstructure by CB-1 Museum Partners, an affiliate of CB-1 Entertainment Partners LP, a California limited partnership, and other matters regarding the transaction.

4. By its action on June 20, 2000 the Agency also approved mechanisms for funding an amount not to exceed $15.9 million, pursuant to a Construction Finance Agreement, and subject to receiving all necessary City budget authorizations, the Agency will issue hotel tax and/or tax allocation bonds in the future in an amount of $7.5 million, and tax allocation bonds in the amount of $5.4 million, together with $3 million previously approved will bring the approximate aggregate total amount of the Agency's cash contribution toward the construction of the Museum Building to $15.9 million.
5. Since June, 20, 2000, the Museum has requested further revisions to the LDA, including an increase in the total amount of the proposed grant from the previously approved $15.9 million to a total aggregate amount not to exceed $18,209,882 pursuant to the terms of a proposed Construction Finance Agreement with the proposed developer of the Museum substructure and superstructure, a revised performance schedule, other provisions of the LDA and the relinquishment of certain development rights and responsibilities. The source of the proposed grant is the following: funds previously budgeted by the Agency, proceeds from the issuance of Hotel Tax Bonds which will be separately proposed to the Agency Commission for issuance and funds requested by the Agency in its FY 2001-2002 budget request to the City and County of San Francisco that are subject to such future bond issuance and budget approvals.

6. On May 22, 2001, the Agency entered into the Sixth Amendment to the LDA with the Museum. With the support of the Museum, CB-1 Entertainment Partners has proposed the development of the Museum substructure and superstructure by an affiliate known as CB-1 Museum Partners LLC, a Delaware limited liability company (“Mexican Museum Developer”). The Mexican Museum Developer will construct the Museum substructure and superstructure, pursuant to the terms of the Disposition and Development Agreement with CB-1 Entertainment Partners LP (“Garage DDA”), considered by the Agency Commission concurrently with the Seventh Amendment to the LDA with the Museum.

7. The Mexican Museum Developer and the Museum have asked the Agency to enter into a Seventh Amendment to the LDA with the Museum to amend the development schedule and other terms and conditions of development of the Museum substructure and superstructure.

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 the Seventh Amendment to the Agreement for Disposition of Land for Private Development (“LDA”) with The Mexican Museum, a California nonprofit public benefit corporation, substantially in the form lodged with the Agency General Counsel, and the Executive Director is also authorized to execute any and all other ancillary documents and conveyance instruments necessary to effectuate the terms of the Sixth Amendment to the LDA.

APPROVED AS TO FORM:

[Signature]
Bertha A. Ontiveros
Agency General Counsel