RESOLUTION NO. 86-2004

Adopted July 20, 2004

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A LETTER AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO AND SAFEWAY INC., WCP I, AND WCP II TO TEMPORARILY MODIFY THE USE RESTRICTIONS IN THE GENE SUTTLE PLAZA; WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. In furtherance of its efforts to stimulate the economic revitalization of lower Fillmore Street in the Western Addition Redevelopment Project Area A-2, the Redevelopment Agency of the City and County of San Francisco (the “Agency”) would like to hold future events in the Gene Suttle Plaza (the “Plaza”).

2. The Plaza and surrounding properties are currently governed by a document called Easements with Covenants and Restrictions Affecting Land (the “ECR”), which, among other things, restricts entertainment-oriented public events in the Plaza. The four property owners bound by the ECR are the Agency, Safeway Inc. (“Safeway”), WCP I, and WCP II (collectively the “Parties”). WCP I owns the Plaza.

3. In order to hold entertainment-oriented public events in the Plaza, an amendment to the ECR, agreed to by the Parties, is required.

4. Prior to executing an ECR amendment, the three adjacent property owners proposed that the Parties enter into a letter agreement with the Agency that would permit the Agency to hold events in the Plaza on a temporary trial basis, for a term of three (3) months, to provide time for the Parties to perfect and fine-tune the terms of a future ECR amendment.

5. Accordingly, on November 4, 2003, the Parties entered into a letter agreement that temporarily modified use restrictions in the Plaza to allow the Agency, and/or its designated contractor, the right to hold a limited number of events in the Plaza on a trial basis for a three-month period. The trial period proved very successful and all Parties were reasonably satisfied with the results.

6. The Parties need additional time to negotiate and finalize the terms and conditions of a Fourth Amendment to the ECR, which would permanently modify the use restrictions. However, the Agency’s Jazz District Promotions Office will commence its Friday night concert series in August and would like to use the Plaza.
7. Therefore, the Parties are proposing to enter into another letter agreement that would permit the Agency to continue to hold entertainment-oriented public events in the Plaza on a temporary, trial basis (the “Letter Agreement”).

8. During the Letter Agreement’s six-month trial period, the four property owners will negotiate a permanent amendment to the ECR, which will be presented to the Commission for its consideration.

9. The Agency desires to enter into a Letter Agreement with Safeway Inc., WCP I, and WCP II to temporarily modify the use restrictions in the Gene Suttle Plaza.

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 a Letter Agreement with Safeway Inc., WCP I, and WCP II to temporarily modify the use restrictions in the Gene Suttle Plaza, Western Addition Redevelopment Project Area A-2, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

[Signature]
James B. Morales
Agency General Counsel