RESOLUTION NO. 146-2004

Adopted December 14, 2004

AUTHORIZING AN AMENDED AND RESTATED TENANT IMPROVEMENT CONSTRUCTION GRANT AGREEMENT WITH THE MUSEUM OF THE AFRICAN DIASPORA, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, TO INCREASE THE GRANT TO AN AMOUNT NOT TO EXCEED $5,000,000 FOR THE MUSEUM FACILITY LOCATED ON A PORTION OF PARCEL EB-2A, THE SOUTH SIDE OF MISSION STREET BETWEEN NEW MONTGOMERY AND THIRD STREETS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Museum of the African Diaspora, a California nonprofit public benefit corporation ("MoAD"), is planning a unique cultural and museum facility to create an experience of the journeys, accomplishments, and achievements of the peoples from the African continent who have been transported throughout the world. The museum facility will consist of about 20,000 square feet of space located on a portion of Parcel EB-2A, in the St. Regis Museum Tower structure, a mixed-use project currently under construction at the southeast corner of Third and Mission Streets in the Yerba Buena Center Redevelopment Project Area.

2. On December 16, 2003, by Resolution No. 160-2003, the Commission of the Redevelopment Agency of the City and County of San Francisco (the "Agency Commission") authorized a predevelopment grant agreement (the "Tenant Improvement Construction Grant Agreement") with MoAD to fund $44,500 in pre-construction work, such as cost-estimating for the tenant improvements and work associated with securing subcontractor bids for the build-out of the tenant improvements.

3. On January 20, 2004, by Resolution No. 6-2004, the Agency Commission authorized an Agreement for Operation of a Museum Facility (the "Operating Agreement") with MoAD to provide funds in a base annual amount not to exceed $450,000 per year, for an aggregate amount of $6,750,000, for a maximum period of 15 years, subject to the availability of funds.

4. Webcor Builders ("Webcor"), the general contractor of the St. Regis Museum Tower structure, has intimate knowledge of the building systems and infrastructure surrounding the museum’s tenant improvements. Pursuant to a Request for Qualifications process overseen by the Agency’s Contract Compliance staff, MoAD selected Marinship, a local African-American contractor, to work with Webcor (together, "Webcor/Marinship").
5. Webcor/Marinship has received bids from subcontractors, and the final budget for the tenant improvement construction is set not to exceed $4,738,000. MoAD will undertake the tenant improvement construction work with Agency funding through the anticipated amendment under an Amended and Restated Tenant Improvement Construction Grant Agreement (the “Grant Agreement”).

6. The First Amendment to the Grant Agreement will increase the budget for pre-construction activities from $44,500 to $5.0 million to cover the expected cost of the tenant improvement contract (previously estimated to be $3.4 million, an increase of $1.6 million). This $5.0 million figure includes $4,738 million for the actual tenant improvement construction work, along with funds for permits and fees, and a 5% contingency. The additional $1.6 million will be financed through a reduction in the aggregate amount of funding to be provided to MoAD over the life of MoAD’s Operating Agreement with the Agency. Funds for the Grant Agreement are available in the Agency’s budget from fees paid by the developer of the St. Regis Museum Tower.

7. The Agency desires to enter into the Grant Agreement with MoAD.

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 the Amended and Restated Tenant Improvement Construction Grant Agreement with the Museum of the African Diaspora, a California nonprofit public benefit corporation, substantially in the form lodged with the Agency General Counsel, in a maximum amount not to exceed $5,000,000 for construction activities associated with a new cultural component under construction at the St. Regis Museum Tower development, on Parcel EB-2A, subject to the Executive Director’s authority to extend certain performance requirements for a maximum period not to exceed six months, in accordance with the Amended and Restated Tenant Improvement Construction Grant Agreement.

APPROVED AS TO FORM:

[Signature]
James B. Morales
Agency General Counsel