

RESOLUTION NO. 2-2012

Adopted January 17, 2012

AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH MJM MANAGEMENT GROUP, A CALIFORNIA CORPORATION, AS THE PROPERTY MANAGER OF THE MISSION BAY OPEN SPACE SYSTEM, TO INCLUDE OPEN SPACE PARCEL P10 AND INCREASE THE CONTRACT'S MANAGEMENT FEE BY \$19,232 FOR A TOTAL AGGREGATE MANAGEMENT FEE NOT TO EXCEED \$636,594; MISSION BAY NORTH AND SOUTH REDEVELOPMENT PROJECT AREAS

BASIS FOR RESOLUTION

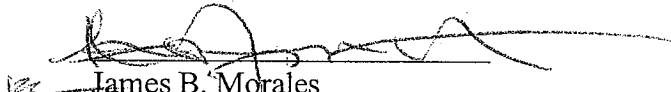
1. On October 26, 1998, the Board of Supervisors of the City and County of San Francisco approved and adopted the Redevelopment Plan for the Mission Bay North Redevelopment Project Area; on November 2, 1998, it approved and adopted the Redevelopment Plan for the Mission Bay South Redevelopment Project Area (collectively the "Plans"). The Plans and their implementing documents, as defined in the Plans, constitute the Plan Documents.
2. Under the Plan Documents, FOCIL-MB, LLC, a subsidiary of Farallon Capital Management, LLC, is developing 43 acres of public open space on parcels of land in the Plans' areas owned by the City and Port of San Francisco ("Open Space Parcels"), which are leased to the Redevelopment Agency of the City and County of San Francisco ("Agency") at the time of improvement ("Mission Bay Open Space System"). The Open Space Parcels are phased in over time in association with the residential and commercial development. Under the Plan Documents, the Agency is responsible for managing and operating the Mission Bay Open Space System until 2043.
3. On December 19, 1999, the Agency Commission by Resolution No. 217-99 formed Community Facilities District No. 5 ("Mission Bay Maintenance District") ("CFD No. 5") and authorized the levy of special taxes, which levy was also approved on January 11, 2000 by Redevelopment Ordinance No. 2-99. All costs for the Agency's operation and management of the Mission Bay Open Space System will be paid through the special taxes levied in CFD No. 5.
4. On August 24, 2009, the Agency issued a Request for Qualifications ("RFQ") for property management services for the Mission Bay Open Space System (the "Contract"). As described in the RFQ, the selected contractor would manage all Open Space Parcels, which are phased in during the term of the Contract.

5. Agency staff determined that MJM Management Group (“MJM”), along with the proposed subconsultants, all of which are certified Small Business Enterprises, was well qualified to provide property management services for the Mission Bay Open Space System.
6. On December 1, 2009, the Agency Commission approved by Resolution No. 146-2009, the Contract with MJM for an initial three-year period with an option to extend the contract for an additional three years, and authorized a total aggregate amount not to exceed \$617,362 for management fees.
7. The Contract included in the scope of work nine “Start-up Parcels”, which are parks P1, P17, P18, P21, and NP 1-5, as well as three “Phase-In Parcels”, which include P16, P23, and P24, as shown in the attachment to the Commission Memorandum supporting this Resolution.
8. FOCIL-MB, LLC is in the process of completing another Open Space Parcel in Mission Bay South, P10. The Agency will be responsible for the maintenance and operation of this park as part of the Mission Bay Open Space System, as described in Recital 2, above.
9. The addition of P10 to the Mission Bay Open Space System will require increased maintenance and management services and an increase in the management fee by a total of \$19,232 for the last three years and 11 months of the potential remaining term of the Contract.
10. Staff now seeks Commission authorization to revise the Contract’s scope of services to include management of the additional P10 Open Space Parcel described above, to make other minor changes in the Contract as described in the Commission Memorandum supporting this Resolution, and to increase the expenditure authority by \$19,232 for a total aggregate amount not to exceed \$636,594 under the Contract to cover the increased management fee for the P10 parcel over the remaining term of the Contract. The Contract, as amended, will still have a termination date of December 31, 2012, with the option to extend it for an additional three years.
11. Approval of the First Amendment to the Contract with MJM is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15301(h) because it authorizes open space maintenance, which will not result in a significant physical effect on the environment.

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 First Amendment to the Personal Services Contract with MJM Management Group, a California corporation, to include the Open Space Parcel P10 and to increase the Contract amount for the management fee by \$19,232 for a total aggregate management fee not to exceed \$636,594, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel