

1 [Approval of Port Lease for Portco, Inc. at 360 Jefferson Street, Fisherman's Wharf]

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3 **Resolution approving Port Commission Lease No. L-14564 with Portco, Inc, for a ten**
4 **(10) year term and one five (5) year extension option for certain real property located at**
5 **360 Jefferson in the Fisherman's Wharf area of the City and County of San Francisco.**

6 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and the San
7 Francisco Charter Section 4.114 empower the San Francisco Port Commission with the
8 power and duty to use, conduct, operate, maintain, manage, regulate and control the lands
9 within Port Commission jurisdiction; and

10 WHEREAS, The Port Commission authorized the issuance of a Request for Proposal
11 ("RFP") for a retail leasing opportunity at 360 Jefferson Street in Fisherman's Wharf on August
12 19, 2005; and

13 WHEREAS, Portco, Inc. responded to the RFP and was a selected bidder for the
14 redevelopment and operation of a retail store; and

15 WHEREAS, The Port Commission on June 10, 2008, by Resolution No. 08-39,
16 approved Lease No. L-14564 with a ten (10) year term and one (5) year renewal option with
17 Portco, Inc. for certain real property located at 360 Jefferson Street in the City and County of
18 San Francisco at rents starting at the higher of \$8,616.00 per month or 8.75% of tenant's
19 gross revenues and increasing at a rate of 3% per year, with a market adjustment for the
20 option period ("the Lease"); and

21 WHEREAS, The San Francisco Planning Department's Major Environmental Analysis
22 Division issued to the Port a General Rule Exclusion ("GRE"), which satisfies environmental
23 review requirements under the California Environmental Quality Act, for Port actions to enter
24 into new leases where there would be a continuation of an existing use with no substantial
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1 physical changes to the site or substantial intensification of and the Lease is covered by this
2 GRE; and

3 WHEREAS, San Francisco Charter Section 9.118 requires Board of Supervisors
4 approval of agreements having a term of ten (10) or more years or having anticipated revenue
5 to the City of One Million Dollars (\$1,000,000.00) or more; and

6 WHEREAS, this Lease is likely to meet both criteria; and, therefore, be it

7 RESOLVED, That the Board of Supervisors approves the Lease and the transactions it
8 contemplates; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
10 Director of the Port (the "Executive Director") to execute Lease No. L-14564, including all
11 exhibits thereto in a form approved by the City Attorney and in the substantially form of Lease
12 No. L-14564 on file with the Clerk of the Board of Supervisors in File No. 081188; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
14 Director to execute and enter into any additional agreements and documents as he or she
15 deems necessary or appropriate, in consultation with the City Attorney, to consummate the
16 transactions contemplated hereby or to otherwise effectuate the purpose and intent of this
17 resolution, such determination to be conclusively evidenced by the execution and delivery by
18 the Executive Director of any such documents; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
20 Director to enter into any additions, amendments or other modifications to the Lease
21 (including, without limitation, preparation and attachment of, or changes to, any or all of the
22 exhibits and ancillary agreements) that the Executive Director, in consultation with the City
23 Attorney, determines is in the best interest of the Port, do not alter the rent or the Port's
24 projected income from the Project, do not materially increase the obligations or liabilities of the
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1 Port of City or materially decrease the public benefits accruing to the Port, and are necessary
2 or advisable to complete the transactions which the Lease contemplates and effectuates the
3 purpose and intent of this resolution, such determination to be conclusively evidenced by the
4 execution and delivery by the Executive Director of the Lease and any such amendments to
5 such document; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors approves, and ratifies all prior
7 actions taken by the officials, employees and agents of the Port Commission, Planning
8 Commission, or the City with respect to the Lease.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails
Resolution

File Number: 081188

Date Passed:

Resolution approving Port Commission Lease No. L-14564 with Portco, Inc, for a ten (10) year term and one five (5) year extension option for certain real property located at 360 Jefferson in the Fisherman's Wharf area of the City and County of San Francisco.

October 21, 2008 Board of Supervisors — ADOPTED

Ayes: 11 - Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 081188

I hereby certify that the foregoing Resolution was ADOPTED on October 21, 2008 by the Board of Supervisors of the City and County of San Francisco.

10/30/2008

Date Approved

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom