

RESOLUTION NO. 14-2005

Adopted January 25, 2005

APPROVING THE TRANSBAY REDEVELOPMENT PROJECT OPTION AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO, THE AGENCY, AND THE TRANSBAY JOINT POWERS AUTHORITY; TRANSBAY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") has prepared a proposed Redevelopment Plan for the Transbay Redevelopment Project (the "Redevelopment Plan").
2. The proposed Redevelopment Plan would establish a redevelopment project area for an approximately 40-acre area generally bounded by Mission Street in the north, Main Street in the east, Folsom Street in the south, and Second Street in the west (the "Project Area"). The Redevelopment Plan is being proposed to: 1) redevelop over 12 acres of vacant land as high-density, transit-oriented residential projects; 2) construct approximately 3,400 housing units of which approximately 1,200 would be affordable to very low- to moderate-income households; 3) enforce Development Controls and Design Guidelines to ensure new development provides a high-quality, livable community; 4) create streetscape and public open space improvements throughout the new project area; and 5) provide funding toward the construction of a new Transbay Terminal and Caltrain Downtown Extension.
3. The Transbay Joint Powers Authority, a joint powers authority duly created and organized under California Government Code Sections 6500 et seq. (the "TJPA"), intends to demolish the Transbay Terminal building and its associated ramps and construct a modern, publicly-owned, multimodal terminal on the same site with an underground train connection to existing rail lines terminating at Fourth and Townsend Streets in San Francisco (the "Transbay Terminal Project"). The Transbay Terminal Project will help to revitalize the Project Area and stimulate private investment. The Transbay Terminal Project is a public benefit and a central part of the Redevelopment Plan.
4. An importance source of funding for the Transbay Terminal Project is the disposition and development of land currently owned by the State of California (the "State-Owned Parcels"). The TJPA, the City and County of San Francisco (the "City"), and the State of California entered into an agreement dated July 11, 2003 (the "Cooperative Agreement") in which the State of California agreed to transfer specified State-Owned Parcels to the City and the TJPA on the condition

that all land sale and net tax increment revenue (after statutory passthroughs and the 20 percent affordable housing set-aside) generated by the State Owned Parcels will be used for the construction of the Transbay Terminal Project.

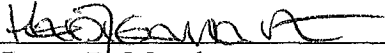
5. In addition to the requirements of the California Community Redevelopment Law (the "CRL"), the California Public Resources Code Section 5027.1 (the "Public Resources Code") sets minimum affordable housing requirements that increase the minimum affordable housing requirements for any redevelopment plan adopted to finance the demolition of the Transbay Terminal and construction of a new terminal. The Public Resources Code requires that at least twenty-five (25) percent of all dwelling units developed within the Project Area shall be available at affordable housing cost to, and occupied by, persons and families whose incomes do not exceed sixty (60) percent of the area median income, and that an additional ten (10) percent of all dwelling units developed within the Project Area shall be available at affordable housing cost to, and occupied by, persons and families whose incomes do not exceed one hundred twenty (120) percent of the area median income.
6. The Agency will be responsible for the process leading to the disposition and development of the State-Owned Parcels in conformance with the Redevelopment Plan and the Development Controls and Design Guidelines. The Transbay Redevelopment Project Option Agreement for the Purchase and Sale of Real Property (the "Option Agreement") describes the specific terms and conditions under which the Agency may purchase certain State-Owned Parcels at no cost from the TJPA and the City, for the purposes of assembly, re-parcelization and development in order to achieve the purposes of the Redevelopment Plan, including meeting the affordable housing requirements of the CRL and the Public Resources Code, and generating funding for the Transbay Terminal Project.
7. On April 20, 2004, the Commission, by Resolution No. 45-2004, certified the Final Environmental Impact Statement/Environmental Impact Report (the "Final EIS/EIR") for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project as adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) ("CEQA") and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.). On April 22, 2004, the other co-lead agencies on the Final EIS/EIR, the City and the Peninsula Corridor Joint Powers Board, also certified the Final EIS/EIR.
8. The Commission has reviewed and considered the information in the Final EIS/EIR.
9. The Commission hereby finds that the Option Agreement is part of the Transbay Redevelopment Project for purposes of compliance with CEQA.

10. In Resolution No. 11-2005 the Commission adopted findings that various actions related to the Transbay Redevelopment Project Area Plan were in compliance with CEQA. Said findings are on file with the Secretary of the Agency and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein.

RESOLUTION

ACCORDINGLY IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute the Transbay Redevelopment Project Option Agreement with the City and County of San Francisco, a municipal authority acting by and through its Board of Supervisors, and the Transbay Joint Powers Authority, a joint powers authority duly created and organized under California Government Code Sections 6500 et seq., substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


for James B. Morales
Agency General Counsel