

RESOLUTION NO. 130-2007

Adopted December 4, 2007

CONDITIONALLY APPROVING THE SCHEMATIC DESIGN FOR THE REHABILITATION OF AN EXISTING 448,000-SQUARE-FOOT OFFICE BUILDING AT 370 THIRD STREET; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. In December 2006, JER 370 Third Street LLC (the "Owner") purchased a vacant, 448,000-square-foot office building at 370 Third Street (Block 3751, Lot 157, the "Site") in the Yerba Buena Center Redevelopment Project Area (the "Project Area") from the Pacific Bell Telephone Company. The existing seven-story office building was built in 1975 and the Redevelopment Agency of the City and County of San Francisco (the "Agency") recorded a Certificate of Completion of Improvements on the Site on February 18, 1976.
2. The Owner has submitted a schematic design for the Site that incorporates proposed modifications to the exterior and interior of the existing building (the "Schematic Design"). These modifications include the installation of new exterior stairs to improve pedestrian access to the building; a new window system and entrance system at the main entry to the building; remodeling the main lobby, elevator lobbies, and restrooms; and converting a portion of the existing ground floor office space to parking.
3. Agency staff has reviewed the Schematic Design, and finds that the modifications to the property will revitalize a key intersection within the Project Area by improving the aesthetic quality of the existing building, and upgrading office space that is currently vacant and are consistent with the Redevelopment Plan for the Project Area. Staff recommends approval of the Schematic Design, subject to the Owner's satisfactory compliance with certain conditions.
4. An Owner Participation Agreement is not required because the proposed Site modifications will not create additional square footage and will not change the existing land use of the Site.
5. The Owner has voluntarily agreed to enter into a Memorandum of Understanding with the Agency to: 1) make good-faith efforts to utilize small business enterprises (SBEs) and minority and women workers; and 2) establish goals for filling vacancies in the project workforce that are generally consistent with the requirements that are applicable to redevelopment projects.
6. The Site is located immediately adjacent to the Alice Street Garden (the "Garden"). The Garden is located on Agency-owned property which was first leased to the Tenant and Owners Development Corporation ("TODCO") in 1983

for construction and operation of a new community garden, which is in need of renovation. The Owner has entered into an agreement with TODCO to contribute funding towards the renovation of the Alice Street Garden.

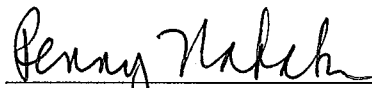
7. The interior and exterior alterations to the existing office building at 370 Third Street qualify as alterations of an existing building that are exempt from the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15301(a) and CEQA Guidelines Section 15301(f). The proposed project 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:

1. The Schematic Design for 370 Third Street is hereby approved subject to the Owner's satisfactory completion of the following conditions, as hereafter determined by the Executive Director:
 - a. Submission of additional design studies for the existing exterior planter along the ground-floor building walls for review and approval;
 - b. Submission of new exterior materials and colors for review and approval;
 - c. Submission of a signage master plan and detailed sign supports for review and approval; and
 - d. Incorporation of standard mitigation measures applicable to all projects located in the Yerba Buena Center Redevelopment Project Area.
2. The Executive Director is also authorized to enter into and execute a Memorandum of Understanding with the Owner to document the Owner's intent to: 1) make good-faith efforts to utilize SBEs and minority and women workers; and 2) establish goals for filling vacancies in the project workforce that are generally consistent with the requirements that are applicable to redevelopment projects.

APPROVED AS TO FORM:



 James B. Morales
Agency General Counsel