

## RESOLUTION NO. 76-2010

*Adopted June 15, 2010*

### APPROVING A LETTER AGREEMENT WITH THE SAN FRANCISCO OFFICE OF THE ASSESSOR-RECORDER FOR \$120,008 TO PROVIDE PRIORITY ASSESSMENT SERVICES; MISSION BAY NORTH AND SOUTH REDEVELOPMENT PROJECT AREAS

#### BASIS FOR RESOLUTION

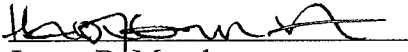
1. On October 26, 1998, the Board of Supervisors of the City and County of San Francisco approved and adopted the Redevelopment Plan for the Mission Bay North Redevelopment Project Area; on November 2, 1998, it approved and adopted the Redevelopment Plan for the Mission Bay South Redevelopment Project Area (collectively the "Plans"). The Plans and their implementing documents, as defined in the Plans, constitute the Plan Documents.
2. The Plans and the Plan Documents, including the Mission Bay North and South Infrastructure Plans, provide that the Master Developer, Catellus Development Corporation, a Delaware corporation ("Catellus"), will construct the infrastructure necessary to support the implementation of the Plan, including roadways, underground utilities, and open spaces.
3. Catellus has sold most of its remaining undeveloped land in Mission Bay to FOCIL-MB, LLC ("FOCIL-MB"), a subsidiary of Farallon Capital Management, LLC, a large investment management firm. The sale encompassed approximately 71 acres of land in Mission Bay, and the remaining undeveloped residential parcels in Mission Bay. FOCIL-MB has assumed all of Catellus' obligations under the Agency's Owner Participation Agreements for Mission Bay North and South (collectively, the "OPAs"), as well as all responsibilities under the related public improvement agreements and land transfer agreements with the City and County of San Francisco ("City"). FOCIL-MB is bound by all terms of the OPAs and related agreements, including the requirements of the infrastructure plan, affordable housing program, equal opportunity program, and design review process.
4. Portions of incremental property tax generated by private development are used to reimburse FOCIL-MB for a portion of its costs to build the infrastructure and also are used to help subsidize new affordable housing.
5. The San Francisco Office of the Assessor-Recorder ("Assessor") is assessing, on a city-wide basis, property values for transactions and new construction that occurred approximately three years ago. In the case of Mission Bay, this schedule means that approximately \$1 billion of new construction and transactions that have occurred during the last three years are not reflected on the City's tax rolls.

6. The absence of Mission Bay property values on the tax rolls negatively impacts the ability of the Agency to fund infrastructure and affordable housing.
7. The Agency has worked with the Assessor to develop an agreement (“Letter Agreement”) in which the Agency provides additional funding to the Assessor to prioritize the reassessment of Mission Bay properties to ensure that the tax rolls accurately reflect the existing construction in Mission Bay.
8. Authorizing the Letter Agreement with the Assessor regarding the assessment of property in the Mission Bay North and South Redevelopment Project Areas is not a “Project” as defined in the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(5). The assessment activities are administrative activities that would not have any direct physical effects on the environment.
9. Agency staff has reviewed the Letter Agreement and finds it acceptable and recommends approval thereof.

### **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 Letter Agreement with the San Francisco Office of the Assessor-Recorder, substantially in the form lodged with the Agency General Counsel; Mission Bay North and South Redevelopment Project Areas.

**APPROVED AS TO FORM:**

  
James B. Morales  
Agency General Counsel