



126-0072022-002

Agenda Item **No. 5(d)**
Meeting of August 2, 2022

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Authorizing the First Amendment to License and Agreement with The Regents of the University of California, San Francisco for use of the Kayak Storage Building located in Mission Creek Park, Parcel NP4; Mission Bay North Redevelopment Project Area

EXECUTIVE SUMMARY

Mission Creek Park is a 15.6-acre park fronting the north and south side of Mission Creek Channel in the Mission Bay North and Mission Bay South Redevelopment Project Areas ("Project Areas"). Within Mission Creek Park are open space parcels NP4 and NP5, completed in 2008, located in the northwest corner of Mission Bay, along Berry Street between Fifth Street and Sixth Street within the Mission Bay North Redevelopment Project Area ("Mission Bay North"). The parcels include, a series of sports courts, dog run, kayak storage building and small boat launch along Mission Creek. The kayak storage building serves the small boat launch and facilitates water recreation.

On September 2, 2008, the Redevelopment Agency of the City and County of San Francisco Commission ("Former Agency Commission") authorized a five-year license and agreement ("Agreement"), with the option for the Executive Director to extend an additional nine years in three-year increments, with the Regents of the University of California, San Francisco ("The Regents") for the use of the kayak shed storage building located within the Mission Bay North Redevelopment Project Area open space parcel NP4, located at 401 Berry Street. The Agreement authorized The Regents and its agent to use the shed, including but not limited to provide not-for-profit kayak classes and programming. Pursuant to the Agreement, previous Executive Directors have extended the termination date to September 2, 2022.

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Miguel Bustos
CHAIR

Mara Rosales
Bivett Brackett
Alex Ludlum
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

415 749 2400

www.sfocii.org

The Agreement allows The Regents to use the kayak storage building for the storage and maintenance of kayaks and small boat crafts, in support of its non-profit outdoor recreational program. The program is available to all members of the general public, as well as The Regents students and staff. The Agreement requires The Regents to provide 13 kayaking programs to underserved youth, free of charge, with a goal of 200 youth participants annually, which The Regents have exceeded each year.

The Regents request that the Commission on Community Investment and Infrastructure ("Commission") approve a First Amendment to the Agreement ("First Amendment") extending the termination date of the Agreement for an additional two years to September 1, 2024. The proposed First Amendment would increase the number of kayaking programs offered by The Regents to underserved youths, free of charge, from 13 to 26 annually, and increase the number of such youths participating from a goal of at least 200 to a goal of at least 400 youths annually.

Staff recommends the Commission's approval of the First Amendment to the Agreement with The Regents of the University of California, San Francisco

DISCUSSION

Background

The Redevelopment Plans for the Mission Bay North and South Project Areas, Design for Development for the Mission Bay North and South Project Areas, and Mission Bay North and South Owner Participation Agreements ("North and South OPAs"), together the ("Plan Documents"), govern the development of the 303-acre Mission Bay North and South Project Areas. The North and South OPAs was executed between the Former Agency, now OCII, and the original landowner and master developer, Catellus Development Corporation ("Catellus"), now FOCIL-MB LLC ("FOCIL"). The Plan Documents create the land use designations, regulatory and contractual framework for development. Pursuant to the North and South OPAs, the master developer, first Catellus and then FOCIL, is responsible for the development of the 41 acres of open space, which is then accepted by the City and County of San Francisco ("City"). To date, 21.6 acres have been completed in total and all open space in Mission Bay North is complete. Once an Open Space Parcel is completed, it is added to the Master Ground Lease between OCII the City and the Port.

In accordance with Redevelopment Dissolution Law, which requires OCII to wind down its activities and dispose of its assets. OCII submitted a long-range property management plan ("PMP"), which requires the early termination of OCII's leasehold interest in the Open Space Parcels. On December 7, 2015, the State Department of Finance approved the PMP and Oversight Board Resolution No. 14-2015 authorizes OCII to take all actions as needed to implement the PMP.

Mission Creek Park is a 15.6-acre park, comprised of nine individual open space parcels, fronting the north and south side of Mission Creek Channel located in the Mission Bay North and South Project Areas. On March 15, 2005, by Resolution No. 46-2005, the Commission approved schematic designs for Mission Creek Park parcels NP4 and NP5, located in Mission Bay North. Open Space Parcels NP4

and NP5 are in the northwest corner of Mission Bay, along Berry Street between Fifth Street and Seventh Street, as shown on Attachment: 1 Mission Bay Open Space Map. Open Space Parcels NP4 and NP5 include a series of sports courts, dog-run, a small boat launch along Mission Creek, and a kayak storage facility to serve the boat launch. The boat launch is one of only a few publicly accessible boat launches in San Francisco, and provides access to Mission Creek for kayaks, canoes and other small non-motorized water craft. These open space parcels were completed and opened to the public in June 2008.

The kayak storage building, located within open space parcel NP4, was designed to serve the small boat launch along Mission Creek and facilitate public kayaking programs in Mission Creek. Mission Creek offers a protected body of water that is safer and calmer than other waterways in San Francisco and is particularly appropriate for beginning kayakers and boaters. The kayak storage building is shown on Attachment: 2 Open Space Parcel NP4 Site Plan.

Kayak Storage Building Agreement and Proposed First Amendment

On September 2, 2008, by Resolution No. 102-2008, the Former Agency Commission authorized the Agreement with The Regents to allow its Outdoor Programs division to run public kayaking programs out of the kayak storage building in NP4. The Agreement allows the use of the kayak storage building for the storage and maintenance of kayaks and small boat crafts, in support of its non-profit outdoor recreational activities. Rent is not charged for use of the kayak storage building, as long as The Regents comply with all terms of the agreement, including providing 13 kayaking programs to underserved youth free of charge annually, with a goal of 200 youth participants annually (see Attachment 3: License and Agreement with The Regents of the University of California, San Francisco).

The initial term of the Agreement was five years, and in accordance with the Agreement, previous Executive Directors have extended the term for an additional nine years (in three-year increments) to September 2, 2022. The Regents also have a right to use the nearby boat launch and surrounding walkways to support its public kayaking programs and the boat launch facility itself. All other park facilities are open and available to any member of the public that wants to use them, regardless of whether they are participating in The Regents kayaking program or not.

The Regents have requested the Commission approve a First Amendment to the Agreement to extend the termination date, and OCII staff in consultation with The Regents and City propose extending the Agreement for an additional two years to September 1, 2024 (see Exhibit A to the Resolution: First Amendment to the License and Agreement with The Regents of the University of California, San Francisco). During the term of the First Amendment, OCII plans to terminate its leasehold interest in the Open Space Parcels as required under Redevelopment Dissolution Law and the PMP. At that time, OCII would assign the Agreement to the City.

The First Amendment would also increase the required programming offered by the Regents to underserved San Francisco youth free of charge, from 13 to 26 programs and a goal of at least 400

youths annually. The Regents have exceeded the required programming, averaging 1000 youths annually participating from public schools, after school programs, YMCA's, and community centers. While still early in the year, The Regents have 700 youths scheduled for their 2022 summer programming. Attachment: 4 UCSF Kayak Programming Summary 22-24 provides more information on its youth programming.

The following provides a more detailed description of the amended key terms contained in the Agreement and First Amendment:

- **Use (Unchanged):** The Regents may use the kayak storage facility for kayak and small boat maintenance and storage in support of its non-profit, public outdoor water programs.
- **Term (Amended):** The proposed First Amendment extends the term of the Agreement for two additional years commencing on September 2, 2022, and terminating on September 1, 2024
- **Programs for San Francisco Youth (Amended):** The First Amendment identifies The Regents shall, at a minimum, offer 26 kayaking programs, free-of-charge, to underserved youth per year. As a goal, The Regents shall serve at least 400 youths each year of the term. The Regents shall target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth populations are served by the kayaking program. If, after one year, 400 youths are not being served per year, The Regents shall submit a detailed outreach and marketing program to OCII for review and approval that demonstrates how The Regents will reach the goal of at least 400 youths.
- **Signage (Unchanged):** The Regents are required to post signs on the kayak building about its kayaking programs, including contact information for Outdoor Programs, so members of the public can receive information about the public programs when staff are not present at the facility.
- **Maintenance/Utilities (Unchanged):** The Regents are responsible for the cost of maintaining the kayak storage building during the term of the Agreement. Upon termination of the Agreement, The Regents must return the facility to the same condition it received it, reasonable wear and tear excepted.
- **Security Deposit (Unchanged):** The Regents paid a \$2,500 security deposit to cover any damage to the facility beyond normal wear and tear at the termination of the License. Any balance remaining upon termination will be returned to the Regents
- **Rent/Fees (Unchanged):** The Regents will not pay any additional fees or rent as long as they comply with the terms of the License Agreement.
- **Insurance and Indemnification (Amended):** In the original Agreement, OCII indemnified the Regents. For the Amendment there is now mutual indemnity between OCII and the Regents.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

Approval of the proposed First Amendment is categorically exempt from environmental review under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines Section 15301, because it authorizes the operation, repair, maintenance and minor alteration of existing facilities with negligible or no expansion of existing uses.

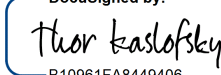
COMMUNITY OUTREACH: MISSION BAY CITIZENS ADVISORY COMMITTEE

On May 12, 2022, the Mission Bay Citizens Advisory Committee ("MB CAC") voted unanimously to recommend the proposed First Amendment move forward to Commission for review and action. One member of the MB CAC did abstain to vote, due to being an employee of The Regents.

STAFF RECOMMENDATION

OCII staff recommends the Commission approve the proposed First Amendment extending the term of Agreement through September 1, 2024.

(Originated by Nikki Henry, Assistant Development Specialist)

DocuSigned by:

B10961FA8449406...
Thor Kaslofsky
Executive Director

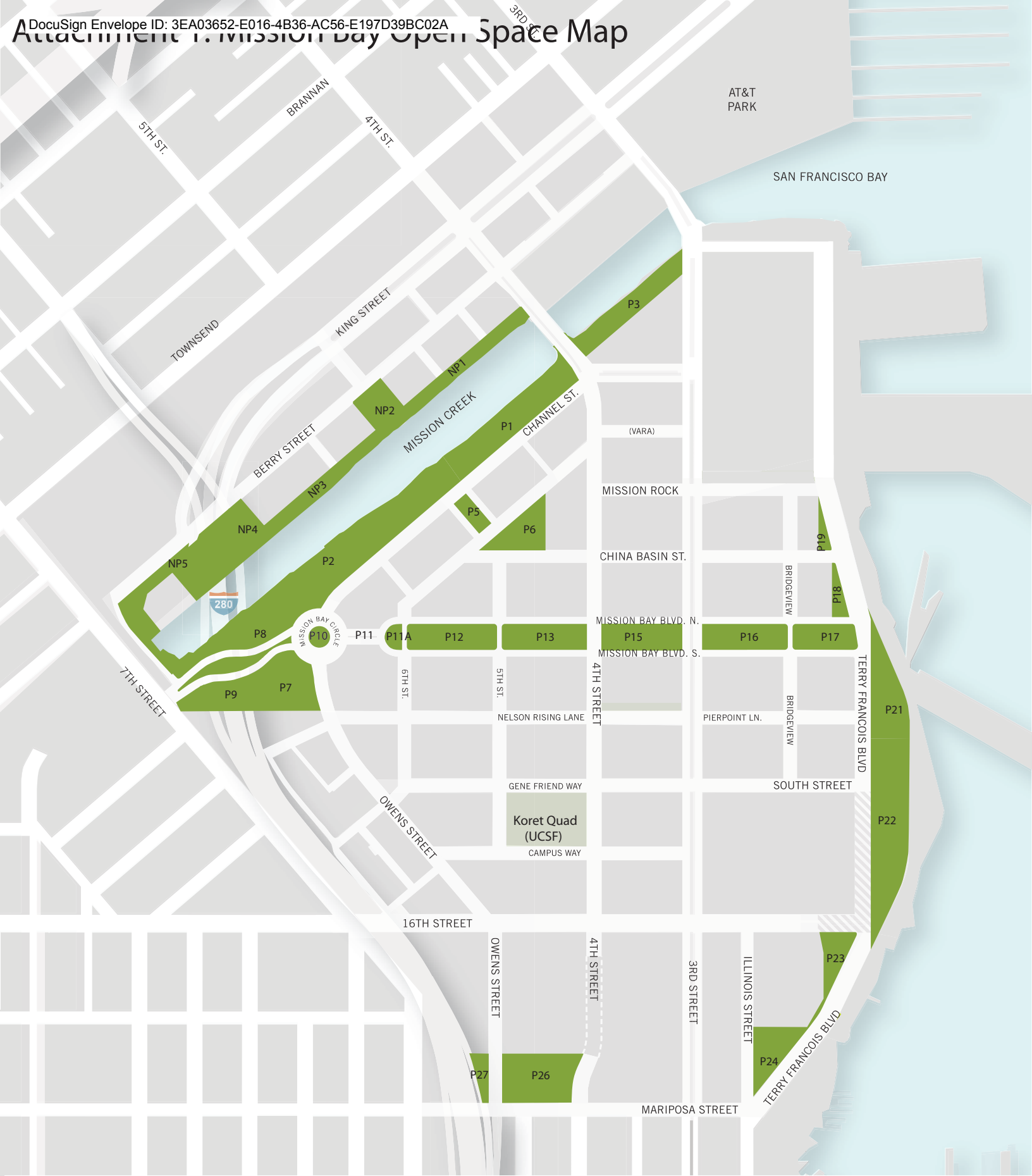
Attachment 1: Mission Bay Open Space Map

Attachment 2: Open Space Parcel NP4 Site Plan

Attachment 3: License and Agreement with The Regents of the University of California, San Francisco

Attachment 4: UCSF Kayak Programing Summary 22-24

Attachment 1: Mission Bay Open Space Map



 Open Space

MISSION BAY OPEN SPACE

September 2021



Attachment 2: Open Space Parcel NP4 Site Plan



Attachment 3: License and Agreement with The Regents of the University of
California, San Francisco

SAN FRANCISCO REDEVELOPMENT AGENCY

LICENSE AND AGREEMENT TO CONDUCT NON-PROFIT ACTIVITIES

This License and Agreement To Conduct Non-Profit Activities ("Agreement") is dated September 2, 2008 by and between the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("Agency") and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, SAN FRANCISCO, a public corporation ("The Regents"). From time to time herein the Agency and The Regents will be referred to together as the "Parties".

RECITALS

A. On September 17, 1998, by Resolution No. 185-98 and Resolution No. 190-98, the Redevelopment Agency of the City and County of San Francisco ("Agency") approved proposed Redevelopment Plans for the Mission Bay North and South Redevelopment Project Areas ("North Plan" and "South Plan," respectively). On the same date, the Agency adopted related resolutions, including Resolution Nos. 188-98 and 193-98 authorizing execution of Owner Participation Agreements ("OPAs") and related documents between Catellus Development Corporation ("Catellus") and the Agency. The Plan and its implementing documents, as defined in the Plan, constitute the "Plan Documents" for each Project.

B. Under the Plan Documents, Catellus is constructing 41 acres of public open space on parcels of land in the North Plan and South Plan areas owned by the City and County of San Francisco and the Port of San Francisco ("Open Space Parcels"). The parcels are leased to the Agency at the time of improvement. 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 Open Space Parcels until 2043.

C. Catellus, the original master developer of the Mission Bay North and South Redevelopment Project Areas, 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. FOCIL-MB has assumed all of Catellus's obligations under the Agency's Owner Participation Agreement for Mission Bay North and Mission Bay 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 (the "City"). FOCIL-MB will be bound by all terms of the OPAs and related agreements, including the requirements of the affordable housing program, equal opportunity program, and design review process.

D. The Agency, as tenant, and the City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the

jurisdiction of the San Francisco Port Commission (the "Port"), the City and County of San Francisco, acting by and through the Port (collectively, the "City"), as landlord, entered into that certain ground lease dated November 16, 2001 (the "Ground Lease"), which is attached in Attachment D, to implement the improvement of public open space, parks and plazas, more commonly referred to as the Mission Bay Open Space System (the "Park System"), located in the areas known as the Mission Bay North Redevelopment Project Area ("MBN Project Area") and Mission Bay South Redevelopment Project ("MBS Project Area"). The subject property includes a kayak storage building located in the open space area more commonly referred to as "NP4" as shown in Attachment A.

E. The Agency has entered into a License Agreement with FOCIL, with an effective date of June 4, 2008, ("NP4/NP5 License Agreement"), to allow for the temporary public use of certain open space areas, including NP4, until that time which the City officially accepts NP4 and the property becomes subject to the Ground Lease. The NP4/NP5 License Agreement terminates the earlier of November 30, 2008 or City's acceptance for dedication (by action of the Board of Supervisors) of the area subject to the NP4/NP5 License Agreement. An extension beyond November 30, 2008 can only occur with the written approval of FOCIL and the Agency.

F. The San Francisco campus of the University of California ("UCSF") through its non-profit Outdoor Programs, a sub-unit of Campus Life Services' Fitness & Recreation unit, has more than 33 years of experience leading outdoor adventures in the Bay Area. Outdoor Programs serves over a thousand kayaking participants annually through its two sites, approximately 40% of which come from the general public. Participation in UCSF's kayaking program is anticipated to increase significantly with the completion of Mission Creek Park in the MBS and MBN Project Areas.

G. UCSF's Outdoor Programs, a non-profit enterprise, does targeted outreach to low-income and underserved youth, offering free kayak lessons and trips to these populations.

H. The Regents wish to license the kayak storage building in NP4 in order to have a convenient storage location in Mission Creek Park and to run the UCSF kayaking programs from the calm waters of Mission Creek, allowing them to serve youth groups and beginner paddlers that are difficult to serve from the choppy waters at Pier 54, its present, temporary location.

I. A dedicated kayaking program in Mission Creek Park will also help support the Blue Greenway, a planned 13-mile path providing walking, biking and water access along San Francisco's southern waterfront.

J. Subject to the consent of the City and Catellus (or its successor) as necessary under the Ground Lease, the Agency is willing to grant a non-exclusive license to The Regents, through its non-profit Outdoor Programs sub-unit, to use the kayak building, at no cost, to provide appropriate kayaking storage facilities and to authorize The Regents to

conduct certain non-profit activities in the Park System in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, the Agency and The Regents agree as follows:

SECTION ONE PREMISES AND USE

1.1 Pursuant to, and in furtherance of the Ground Lease, the Agency hereby grants an non-exclusive license to use the kayak storage building (the "Premises"), located at the street address of 401 Berry Street in the southeast portion of Parcel NP4, as shown on the site map in Attachment A, "Premises Location Map", in the MBN Project Area, San Francisco, California, to The Regents, as of the Effective Date defined below in accordance with the terms and conditions set forth herein. However, the Agency shall not grant a license to any other party to use the Premises if it will unreasonably impede the use of the Premises by The Regents or its invitees in a manner consistent with this Agreement. The Premises includes both the interior and exterior of the kayak storage building at 401 Berry Street. The Agency authorizes The Regents to use the Premises for kayak and small boat storage and launching in support of the nonprofit programs set forth in Attachment B, "UCSF Kayak Program Summary" attached hereto. Any additional purpose is not allowed except with express written consent of the Agency.

1.2 The Regents shall also have the non-exclusive right to use the walkways, restrooms, the boat launch located in NP4 and NP5, as shown in Attachment A, "Premises Location Map", and other public areas of the Park System, in accordance with the rules and regulations set forth in Attachment C, "Rules and Regulations for the Mission Bay Open Space System", attached hereto and excluding the standard prohibition on boat launching, as set by the Agency, which may be amended from time to time.

1.3 The Regents shall, at a minimum, offer 13 kayaking programs, free-of-charge, to underserved youth per year for the duration of this agreement as defined in Section 3 below. As a goal, The Regents shall serve at least 200 youths each year of the term of this Agreement. The Regents shall target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth populations are served by the kayaking program. If, after three years, 200 youths are not being served per year, The Regents shall submit a detailed outreach and marketing program to the Agency for review and approval that demonstrates how The Regents will reach the goal of 200 youths in year four of this Agreement.

1.4 The Regents shall comply with all applicable ordinances, laws, statutes and regulations relating to The Regent's use of the Premises. The Regents further agrees that Agency staff (and its authorized representatives) shall have the right to establish reasonable procedures for other use of the Premises. The Regents shall conduct its

activities permitted herein in a manner that respects and does not conflict with the activities conducted by the Agency or its authorized representatives, contractors, or other licensees, invitees authorized to use or work on the Premises or in the Park System.

1.5 The Regents agrees not to use the logo of the Agency, the City and County of San Francisco or the Park System, which, in the judgment of the Agency, reasonably could lead the public to believe that The Regents activities are operated by or on behalf of the Agency or the City and County of San Francisco.

1.6 Notwithstanding its obligations set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto, The Regents may display its logo or the name of the program to be conducted on the Premises in certain locations on the Kayak Storage Shed, such as the door or side of the building; provided, however, that the location and design of any such display shall be subject to reasonable approval in advance in writing by the Agency or its authorized representative.

1.7 Except with the prior written consent of the Agency, The Regents use of the Premises shall be restricted to the approved uses set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto. IT IS PROHIBITED FOR ANY PERSON TO RESIDE ON THE PREMISES. The sale of any items or the conduct of for-profit business activities on the Premises is not permitted without the written approval of the Agency and shall be subject to additional terms and conditions deemed appropriate by the Agency.

1.8 Upon termination of this Agreement, The Regents shall remove all personal property and equipment belonging to The Regents or in The Regents care, custody or control, and shall surrender the Premises to the Agency in as good condition as existed on the Effective Date of this Agreement, reasonable wear and tear excepted, together with all keys to the Premises. If any personal property or equipment remains on the Premises after termination of this Agreement, it shall be considered abandoned, and shall be subject, at the Agency's option, to all local, state and federal ordinances, regulations and laws pertaining to disposition of abandoned personal property, equipment and vessels. Furthermore, any costs incurred by the Agency as a result of any abandoned items on the Premises shall be deducted from The Regents' Security Deposit.

1.9 It is understood by both parties that this Agreement is entered into consistent with the terms set forth in the Ground Lease, and that The Regents' use of the Premises shall at all times be consistent with the terms set forth in the Ground Lease as attached as Attachment D, as applicable.

SECTION TWO CHARGES

2.1 The Regents shall pay no fees to the Agency so long as it complies with all the terms and conditions of this Agreement, including but not limited to, the insurance requirements set forth in Section 8.

2.2 The Regents shall pay the Agency a security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) ("Security Deposit") on or before the Effective Date of this Agreement. Said Security Deposit shall secure the performance of The Regents' obligations hereunder. Any balance remaining upon termination, except for any earned interest, of the Agreement shall be returned to The Regents in a reasonable amount of time after the termination of the Agreement.

SECTION THREE TERM

3.1 The Agency shall deliver to The Regents, pursuant to the provisions governing notices at Section 10.1 below, a notice of impending Premises availability, which notice shall be delivered to The Regents no less than thirty (30) days prior to the date the Premises will be ready for occupancy ("Notice of Availability"). The Notice of Availability will set forth a specific date for scheduled occupancy of the Premises, and that date shall serve as the effective date ("Effective Date"). The Regents shall be responsible for the Premises, pursuant to this Agreement, as of the Effective Date. Additionally, The Regents must begin operating its kayaking programs (as set forth in Attachment B hereto) at the Premises no more than thirty (30) days after the Effective Date set forth in the Notice of Availability.

3.2 The term of this Agreement shall be from September 2, 2008 until the date of the termination of the NP4/NP5 License Agreement ("Initial Term"). However, if the Premises are incorporated into the Ground Lease on or before the expiration of the Initial Term, then the parties agree that the term of this Agreement shall automatically be extended to September 1, 2013 (the "Term"), provided further that during the Term either party may terminate this Agreement without cause for any reason whatsoever, upon providing sixty (60) days prior written notice to the other.

3.3 At the sole discretion of the Agency's Executive Director, the Agreement may be extended for an additional three years ("Extension Option"); provided that The Regents is not in default of the Agreement and have conducted the nonprofit activities set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto, to the satisfaction of the Executive Director. Additionally, the Executive Director may in his or her sole discretion, agree to further extend the Agreement for two (2) additional three-year terms.

3.4 The effectiveness of this Agreement is conditioned upon the substantial completion of the Premises as mutually agreed upon by Agency and The Regents.

Notwithstanding the provisions of Section 3.1 above, in the event the Premises is not substantially completed and the Notice of Availability is not issued within 18 months of the date of this Agreement, for whatever reason, the Agency shall not be obligated to provide the Premises to The Regents and this Agreement shall be considered null and void.

SECTION FOUR MAINTENANCE, REPAIR AND UTILITIES SERVICES

4.1 The Regents accepts the Premises as of the Effective Date as being in good order and repair, unless otherwise indicated in writing. The Regents shall maintain the Premises (as delineated in Section 1.1) and every part thereof in good condition and repair, including all fixtures, furniture and furnishings therein. The area immediately outside of the Premises, as well as the interior, shall be kept clean and free of debris and unused equipment and material. The Regents shall surrender the Premises, at termination, in as good condition as received, normal wear and tear excepted. The Regents shall protect the Premises from fire hazard and eliminate all safety and health hazards that arise during the term of this Agreement as reasonably determined by The Regents. The Agency or its authorized representative, upon prior and reasonable notice, may inspect the Premises to ensure performance of the maintenance set forth herein.

4.2 The Regents shall be responsible, at its sole costs and expense, for obtaining and providing any and all other services (including housekeeping, garbage collection, etc.), other than water and electricity, which may be required in connection with The Regents' use or occupancy of the Premises.

4.3 As the Premises contains connections to domestic water and electricity, which are not separately metered, The Regents will be responsible for paying a pro-rata share of the cost for water and electricity, as provided by the Agency. The pro-rata share will be determined by the staff of the Agency and The Regents, using a mutually agreed upon method, once the Premises and parks sharing the water and electrical connections are operational. Alternatively, the Agency may choose at its discretion and cost to install separate water and electrical sub-meters for the Premises. In this event, The Regents will reimburse the Agency for the exact amount of water and electricity used by the Premises.

4.4 The Regents shall not make any alterations, improvements, repairs except in the event of an emergency, or install any fixtures of any kind or character in or on the Premises without prior written consent of the Agency. The Agency, in its sole and absolute discretion may approve or deny in writing, the location and method of attachment of all interior and exterior improvements, including the installation of furniture, fixtures and equipment ("FF&E") which The Regents plans to install within or on the Premises. Upon termination of this Agreement, any damage caused to the Premises as the result of the removal of all pre-approved FF&E belonging to The Regents shall be repaired in a manner approved by the Agency. If The Regents fails to repair any damages caused by The Regents' removal of any FF&E in a manner satisfactory to the

Agency, then the Agency may cause said repairs to be made, at UCSF's sole expense. The Agency, in its sole discretion, may deduct the repair costs from The Regents' Security Deposit. If the amount of the repairs exceeds The Regents' Security Deposit, the Agency may pursue all lawful means to obtain any outstanding repair costs from The Regents.

4.5 The Regents shall comply with the Risk Management Plan (RMP), to the extent the RMP applies to The Regents' activities. The Regents shall also obligate other entities with which The Regents contracts for construction, property maintenance or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP and The Regents shall refrain from interfering with City's or Agency's compliance with the RMP.

SECTION FIVE ASSIGNMENT

5.1 The Regents shall not assign this Agreement or any of the privileges granted by it without prior written consent of the City, FOCIL-MB and the Agency, which approval may be granted or withheld at their sole discretion.

SECTION SIX ENVIRONMENTAL PROVISION

6.1 The Premises described herein may contain hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction (Covenant and Restriction) dated as of February 3, 2000, and recorded on March 21, 2000, in the Official Records of San Francisco County, California, as Document No. G748551-00, which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists.

SECTION SEVEN INDEMNIFICATION AND EXCULPATION

7.1 Agency's Obligation. Agency shall indemnify, defend, and hold harmless The Regents, its officers, agents and employees, from and against any claims, damages, costs, expenses, or liabilities (collectively "Claims") arising out of or in any way connected with this Agreement including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons but only in proportion to and to the extent that such Claims arise from the negligent or intentional acts or omissions of Agency, its officers, agents, partners or employees.

7.2 The Regents' Obligation. The Regents' Obligation. The Regents agrees and acknowledges to be bound by the defense, indemnification and exculpation provisions of

the Ground Lease, all with the same force and effect as is required by the Agency under the Ground Lease, provided however that the The Regents' duty to indemnify only shall not extend to Losses to the extent resulting from the negligence or willful misconduct of the Agency and/or City. The obligation of The Regents under this Section 7.2 shall survive any termination or expiration of the Agreement or the Ground Lease.

7.3 The Regents shall indemnify, protect, defend and hold harmless the Agency, the City, the Port, their employees, officers and agents, and FOCIL-MB from any claims resulting from any release or threatened release of a hazardous substance to the extent that such release or threatened release is directly created or aggravated by the specific activities undertaken by The Regents pursuant to this agreement or by any breach of or failure to duly perform or observe any term, covenant or agreement in this agreement; provided however, that The Regents shall have no liability, nor any obligation to defend, hold harmless or indemnify any person for any such claim resulting from (a) the discovery or disclosure of any pre-existing condition, (b) the movement of soil or groundwater of other activity undertaken by The Regents, which concerns hazardous substances existing prior to The Regents' entry upon the Premises so long as such movement or activity is consistent with the RMP, or (c) the negligence or willful or other actionable misconduct by the Agency, the City, the Port or their agents or FOCIL-MB. Agency shall provide a copy of the RMP with the Notice of Availability described in Section 3.1 above.

SECTION EIGHT LIABILITY INSURANCE

8.1 The Regents shall procure and maintain insurance coverage or an equivalent program of self-insurance for the duration of the Agreement against claims for injuries to persons or damage to property which may arise from or in connection with the Agreement by The Regents, its agents, representatives, employees or subcontractors. Such insurance must comply with the following requirements:

- (a) Minimum Scope of Insurance. Coverage shall be at least as broad as:
 - (1) Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
 - (2) Insurance Services Office form number CA 00 01 covering Automobile Liability, code 1 (any auto), if applicable.
 - (3) Workers' Compensation insurance as required by the State of California and Employers Liability insurance, and if applicable, U.S. Longshore & Harbor Workers Act and Jones Act Coverage on employees eligible for each.
 - (4) Protection and Indemnity Insurance or other form of watercraft liability insurance acceptable to the Agency.

(5) Such other insurance required by law which may be satisfied through The Regents program of self-insurance.

(b) Minimum Limits of Insurance. The Regents shall maintain limits no less than:

(1) General Liability and Protection and Indemnity (or other watercraft liability): Comprehensive or commercial general liability insurance, with limits not less than \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage including coverages for contractual liability, independent contractors, broadform property damage, personal injury, products and completed operations, and fire damage and legal liability with limits not less than \$250,000. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

(2) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation and Employers Liability: Under the Certificate of Consent to Self-Insure # P-1344, granted by the California State Director of Industrial Relations, a self-insurance program for Workers' Compensation liability is maintained by The Regents of the University of California. Said program complies with all applicable federal and state statutes. The Regents shall furnish to the Agency and the City a current Certificate of Insurance evidencing compliance with all requirements.

(4) Protection and Indemnity Liability: \$1,000,000 per occurrence.

(c) Deductibles and Self-Insured Retentions. The University of California maintains a program of self-insurance pursuant to the laws of the State of California. The University's self-insurance program is a combination of primary self-insurance with a self-insured retention of \$5 million and excess insurance above the self-insured retentions (SIR). Such program of self-insurance applies to all claims, costs, injuries, or damages but only in proportion to and to the extent such claims, costs, injuries, and damages are caused by or result from the negligent acts or omissions of The Regents, its officers, agents, faculty, students, or employees. The intent of the self-insurance program follows the provisions of the Bylaws and Standing Orders of The Regents, which do not permit any assumption of liability which does not result from and is not caused by the negligent acts or omissions of the officers, agents, faculty, students, or employees of the University.

(d) Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

(1) General Liability and Automobile Liability Coverages.

(i) All liability insurance policies required to be maintained by The Regents shall name as additional insureds the Agency, the Port and the City and their respective officers, agents, employees and Commissioners for: liability arising out of activities performed by or on behalf of The Regents; products and completed operations of The Regents and premises owned, occupied or used by The Regents or automobiles or watercrafts owned, leased, hired or borrowed by The Regents. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, the Port or City or their respective Commissioners, officers, agents or employees.

(ii) For any claims related to this Agreement, The Regents' insurance coverage shall be primary insurance as respects the Agency, the Port and the City and their respective Commissioners, officers, agents and employees. Any insurance or self-insurance maintained by the Agency, the Port or the City or their respective Commissioners, officers, agents or employees or shall be excess of The Regents' insurance and shall not contribute with it.

(iii) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, the Port or the City or their respective Commissioners, officers, agents or employees.

(iv) The Regents' insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(2) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the Agency, the Port and City and their respective Commissioners, officers, agents and employees for losses arising from work performed by The Regents pursuant to this license.

(3) All Coverages. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency and the City. In the event that any of the aforesaid coverage should expire, be canceled or lapse for any reason, The Regents agrees not to conduct any business activities from the Premises until the Agency gives its written consent.

(e) Acceptability. Insurance is to be placed with insurers with a Best's rating of no less than A: VII, unless otherwise approved by the Agency.

(f) Verification of Coverage. The Regents shall furnish the Agency and the City with evidence of self insurance and certificates of insurance with original endorsements

effecting coverage required by this clause on or before the Effective Date. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the Agency. All certificates and endorsements are to be received and approved by the Agency before The Regents take control of the Premises. The Agency reserves the right to require complete, certified copies of all required insurance policies at any time.

(g) Ground Lease Requirements. Notwithstanding any provision to the contrary in this Agreement, The Regents shall, with respect to the Premises, secure and keep in force during the term of the Agreement such insurance as required of the Agency under the Ground Lease. Not more often than every year and upon not less than sixty (60) days prior written notice, the Agency (as directed by the City under the Ground Lease) may require The Regents to increase the insurance limits set forth in Section 8.1(b) above, if, in the reasonable judgment of the City's Risk Manager, it is the general commercial practice in San Francisco or in other cities or counties around the country to carry insurance for facilities similar to the Premises in amounts substantially greater than those amounts carried by The Regents with respect to risks comparable to those associated with the use of the Premises.

SECTION NINE NONDISCRIMINATION

9.1 There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, disability (including AIDS or HIV status) or sexual orientation in The Regents' use, occupancy, transferring or enjoyment of the Premises pursuant to this Agreement. The Regents, or any person claiming under or through it, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, use, or number of its passengers, customers, or other users of its business services. The Regent further agrees that the use of the Premises shall be provided in compliance with the Americans with Disabilities Act ("ADA").

SECTION TEN AGENCY CONFLICT OF INTEREST PROHIBITED

10.1 No commissioner, official or employee of the Agency shall have any personal or financial interest, direct or indirect, in this Agreement, nor shall any such commissioner, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is interested directly or indirectly.

SECTION ELEVEN REPRESENTATIONS AND WARRANTIES

11.1 The Regents. The Regents represents, warrants and covenants to the City, the Port, the Agency and FOCIL-MB as follows:

- Authority. The Regents has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of its duties and obligations under this Agreement.
- No Limitations. No law or agreement to which The Regents is bound prohibits or materially limits or otherwise affects the right or power of The Regents to enter into and perform all of the terms and covenants of this Agreement. There are no pending or threatened suits or proceedings or undischarged judgments affecting The Regents before any court, governmental agency, or arbitrator which, if determined adversely to The Regents, might materially adversely affect the enforceability of this Agreement or the ability of The Regents to perform its obligations hereunder.
- Due Execution. The execution and delivery of this Agreement and any agreements contemplated hereby by The Regents has been duly and validly authorized by all necessary action on the part of The Regents. Upon its execution and delivery by all Parties, this Agreement will be a legal, valid, binding and enforceable obligation of The Regents.

11.2 The Agency. The Agency represents, warrants and covenants to The Regents as follows:

- Authority. The Agency each has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of their respective duties and obligations under this Agreement.
- No Limitations. No law or agreement to which the Agency is bound prohibits or materially limits or otherwise affects the right or power of the Agency to enter into and perform all of the terms and covenants of this Agreement. There are no pending or threatened suits or proceedings or undischarged judgments affecting the Agency before any court, governmental agency, or arbitrator which, if determined adversely to either such Party, might materially adversely affect the enforceability of this Agreement or the ability of such Party to perform its obligations hereunder.
- Due Execution. The execution and delivery of this Agreement and any agreements contemplated hereby by the Agency has been duly and validly authorized by all necessary action on the part of the Agency. Upon its execution and delivery by all Parties, this Agreement will be a legal, valid, binding and enforceable obligation of the Agency.

SECTION TWELVE MISCELLANEOUS PROVISIONS

12.1 Notices

All notices, demands, consents or approvals required under this Agreement (except reservations) shall be in writing and shall be deemed given when delivered personally or three (3) business days after being deposited in the U.S. Mail, first class postage prepaid, return receipt requested, addressed as follows:

If to the Agency: San Francisco Redevelopment Agency
 1 South Van Ness Avenue, 5th Floor
 San Francisco, CA 94103
 Attention: Executive Director

If to The Regents: The Regents of the University of California
 UCSF Real Estate Services
 San Francisco, CA 94143-0287
 Attention: Director, Real Estate Services

If to the City: Director of Property
 City and County of San Francisco
 25 Van Ness Avenue, Suite 400
 San Francisco, CA 94102

 with a copy to

 City Attorney, City of San Francisco
 Room 234, City Hall
 1 Dr. Carlton B. Goodlett Place
 San Francisco, California 94102-4682
 Attention: John Malamut, Esq.

or to such other addresses as the parties may designate by notice as set forth above.

12.2 Time of Performance

- (a) Time is of the essence in the performance of all the terms and conditions of this Agreement.
- (b) All performance and cure periods expire at 5:00 p.m., San Francisco, California time, on the applicable date.
- (c) A performance or cure date which otherwise would be a Saturday, Sunday or Agency holiday shall be extended to the next Agency working day.

12.3 Default

The breach of any term of this Agreement by The Regents and failure to cure within fourteen (14) calendar days of Agency's written notice shall constitute an event of default. If the Agency (or its authorized representative) determines, in its sole and absolute discretion that The Regents, its on-site operator, employees, contractors, invitees create a public safety hazard or any other hazardous condition on the Premises or in the Park System, the Agency or its authorized representative may notify The Regents, its on-site operator, employees, contractors, invitees of the breach verbally and require a shorter cure period. Upon The Regents' default, Agency may terminate this Agreement on thirty (30) days' written notice, at its option, without entitling The Regents to seek or obtain legal or equitable relief against the Agency for any reason.

12.4 Successors and Assigns

This Agreement may not be assigned without the express written consent of the City, Agency and FOCIL-MB (or its successors), which consent may be given or withheld in their sole discretion.

12.5 Modification, Waiver and Amendment

As set forth in Section 1.2 of this Agreement, the "Rules and Regulations for the Mission Bay Open Space System," set by the Agency and attached hereto as Attachment C, may be amended from time to time by the Agency in its sole discretion. However, any other modification, waiver or amendment of any of the provisions of this Agreement must be in writing and signed by both the Agency and The Regents.

12.6 Entire Agreement

This Agreement represents the complete agreement between the parties as to the matters described herein, and there are no oral understandings between The Regents and the Agency affecting this Agreement not set forth herein. This Agreement supersedes all previous negotiations, arrangements, agreements and understandings between The Regents and the Agency with respect to the subject matter hereof.

12.7 Severability

If any provision of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provision and all such other provisions shall remain in full force and effect.

12.8 Governing Law

This Agreement shall be governed by the laws of the State of California. It is the responsibility of The Regents to be informed of local, state and federal laws and requirements applicable to this Agreement and to perform all work in compliance with those laws and requirements. The Regents must maintain all permits or licenses and pay all taxes or fees required by federal, state, or local law throughout the period of this Agreement.

12.9 Headings

Titles of parts or sections of this Agreement are inserted for convenience only and shall be disregarded in construing or interpreting its provisions.

12.10 Attorneys' Fees

In any action or proceeding arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

12.11 Authority

The undersigned represents and warrants that he or she has full power and authority to enter into this Agreement and to bind The Regents in accordance with its terms.

12.12 Reporting Requirements

The Regents shall submit a written report on the performance of its program in the format and frequency and including the contents as described in Attachment B, "UCSF Kayak Program Summary" attached hereto. The Reporting Requirements may be amended from time to time.

12.13 Workforce Opportunities and Commitment to Diversity

The Regents has identified as one of its goals and objectives in its 1996 Long Range Development Plan the maintenance and promotion of diversity in The Regents' work force. As part of its goal of achieving diversity in The Regents' workforce, The Regents has stated the goal of establishing a strong, results-oriented affirmative action plan that includes the promotion of purchasing from and contracting with minority, women-owned and disadvantaged businesses, hiring and contracting with community residents, and promoting diversity in The Regents' faculty, students and staff. In addition, another identified goal is the coordination of hiring programs with community employment and job training programs, labor unions, and local high schools and colleges. The Regents will make good faith efforts to ensure that minority- and women-owned businesses have the opportunity to compete for contracts with UCSF, including advertising contracting opportunities. Although The Regents' current programs will change over time in

response to changing conditions in the community, the makeup of target populations and The Regents' policy, The Regents remains committed to the goals of promoting diversity and benefits for local residents and businesses in its employment and contracting practices. The Regents will continue to comply with the affirmative action requirements imposed upon The Regents as a federal contractor under Executive Order 11246.

12.14 Recitals and Attachments

Additional terms, covenants and conditions to this Agreement, are contained in Attachments A through C described below and attached hereto which, by this reference, are incorporated into this Agreement as if fully set forth herein.

Attachment A:	Premises Location Map
Attachment B:	UCSF Kayak Program Summary
Attachment C:	Rules and Regulations for the Mission Bay Open Space System
Attachment D:	Ground Lease

IN WITNESS WHEREOF the Agency and The Regents have executed this Agreement as of the date first above written.

THE REGENTS:

The Regents of the University of California

Esther E. Morales
Director, Real Estate Services

By: Esther E Morales

The AGENCY:

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, corporate and politic

Amy Lee
Deputy Executive Director
Finance & Administration

By: Amy Lee

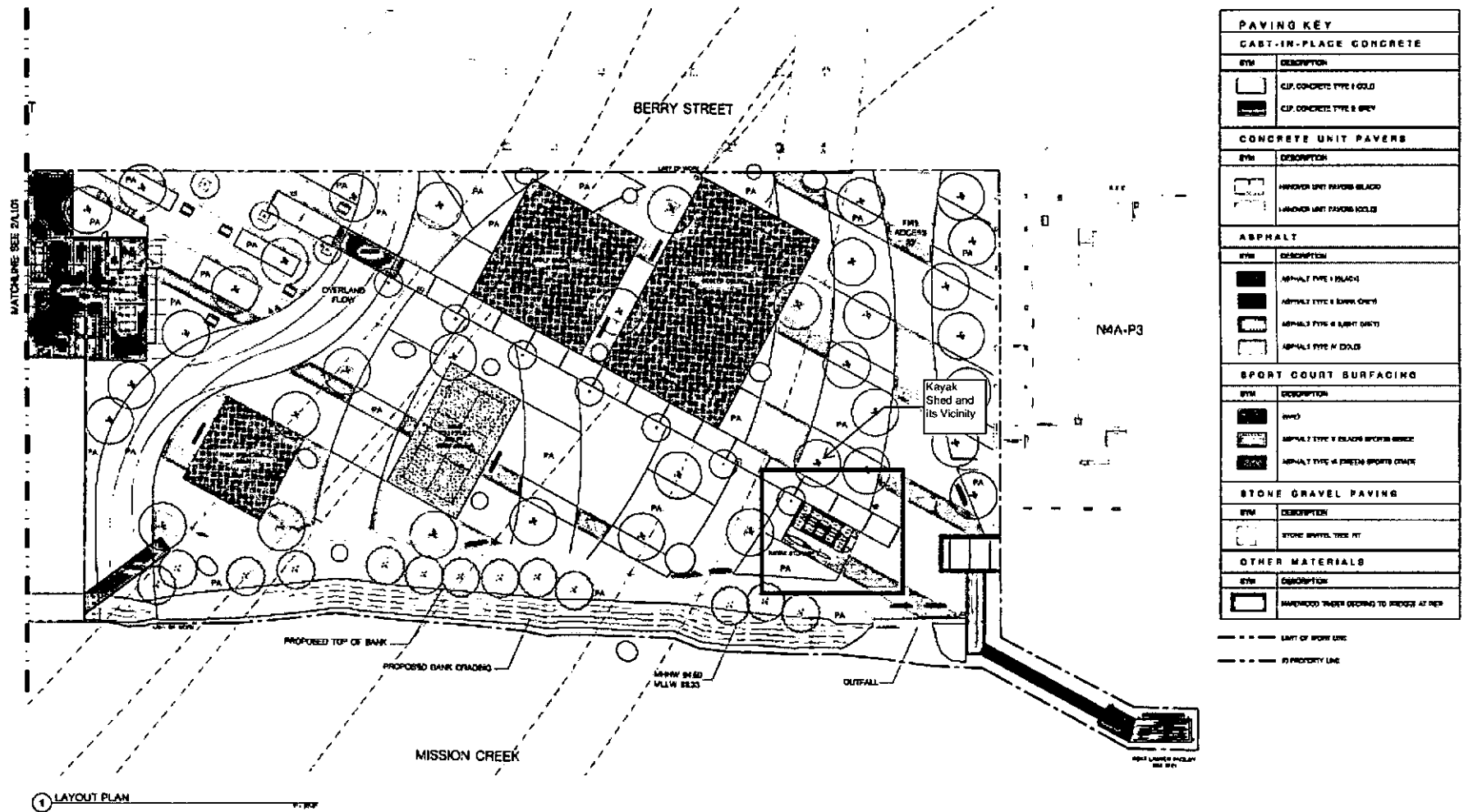
Approved as to Form

✓ James B. Morales
James B. Morales
Agency General Counsel

Authorized by Agency Resolution No.
102-2008 adopted on 9/2,
2008

Attachment A

Premises Location Map



MFLA
MICHIGAN FLORIDA LANDSCAPE ARCHITECTS

MISSION CREEK PARK: PARCELS NP4 & NP5 SCHEMATIC DESIGN

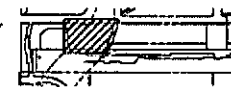
100% SCHEMATIC DESIGN
12.18.10

1. ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MICHIGAN DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

2. ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MICHIGAN DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

3. ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MICHIGAN DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

4. ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MICHIGAN DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.



MISSION CREEK
LAYOUT PLAN
PARCELS NP4 & NP5

SHEET NO.

L104

Attachment B

UCSF Kayak Program Summary

Attachment B

UCSF Kayak Program Summary

UCSF Outdoor Programs

**Kayak Storage Shed and Boat Launch Facility
NP4, Mission Creek Park**

Introduction

As part of the University of California San Francisco (UCSF), Outdoor Programs will provide the stability, experience and access required to make kayaking a successful component of Mission Creek Park. The public boat launch will provide access to those who already have boats and training. Housing UCSF Outdoor Programs at the park will provide kayaking opportunities for those who have little or no experience and equipment.

Outdoor Programs, a sub-unit of Campus Life Services' Fitness & Recreation unit at UCSF, has over 33 years of experience leading outdoor adventures in the Bay Area. In fact, Outdoor Programs was one of the first University based outdoor adventure programs in the country. Outdoor Programs has a dual commitment to serve both the UCSF community and the general public and is under contract with the California Department of Boating and Waterways to provide on the water training to enhance basic boating safety education.

Presently, Outdoor Programs has a kayaking base in Sausalito and a temporary kayak storage space at Mission Bay on Pier 54. By securing a convenient location on the calm waters of Mission Creek, Outdoor Programs will be able to serve youth groups and beginner paddlers that are difficult to serve from the choppy waters at Pier 54, our present Mission Bay location. A dedicated kayaking program in Mission Creek Park will also help support the Blue Greenway, a planned 13-mile path providing walking, biking and water access along San Francisco's southern waterfront.

Summary of Programming

The location of Mission Creek Park is ideal in that it provides a protected body of water perfect for beginning level paddles while at the same time provides a launching point for more advanced paddling destinations. Outdoor Programs is committed to providing programs that provide quick and easy access to the Bay as well as courses that focus on building skills and learning about safe boating. Courses range from instructional classes to guided tours around the bay. Courses will be open to both the general public and persons affiliated with UCSF. Below is a sample of courses and trips that will be offered:

Introduction to Sea Kayaking

Goal: Introduce basic sea kayaking skills and safety. Students will learn how to enter and exit kayaks, and how to perform basic strokes and rescues. Successful completion of this class will allow participants to rent sea kayaks for use in protected waters locally or around the world.

"This one-day introductory course is designed to give you the skills and confidence to begin paddling on your own in a single kayak. In the morning we will cover boat design, paddling techniques and rescue skills. After lunch we move into the classroom to talk

tides, weather and safe boating practices. This course is taught to ACA standards and is recognized by most sea kayaking companies, qualifying you for future rentals.”

Sea Kayaking II

Goals: Increase overall kayaking skills, boat control, balance, and rescue skills. This class prepares students for more challenging destinations.

“This course is for students who want to paddle in more challenging conditions. Students will become familiar with the J-lean and its uses, including edge control to maneuver and correct course. Students will also review and refine the forward stroke, practice rescues in open water, and learn some basic navigation, including the use of ranges.”

Mission Bay Tours

Goal: Using stable double kayaks, participants will be introduced to basic paddling and safety skills and then go for an easy paddle to practice skills and to explore Mission Bay from the water.

“A beautiful sunset, the bay, and a chance to share the experience with new friends and old: join us and enjoy the panoramic views from Mission Bay as the sun sets behind Mount Tamalpais on this paddling adventure. You’ll witness unforgettable views of San Francisco, Angel Island, Treasure Island and Alcatraz. We’ll talk safety, paddle onto the bay, and stop to share a snack and new memories before returning home. “

Mission Creek Paddle

Goal: Most paddling around the San Francisco Waterfront can be quite challenging with strong winds, current and plenty of boat traffic. Mission Creek provides a protected body of water suitable for beginning level paddlers. The Mission Creek Paddle will be perfect for youth groups and families.

“These are great trips for the whole family, youth groups or those who want to try out kayaking. Children, as young as 10 years old can enjoy kayaking with parents and friends. Our stable two-person kayaks offer endless possibilities for introducing youngsters to the waters of Mission Creek. No experience necessary!”

Kayaking for Core Fitness Level 1

Goal: The best time to paddle is during the early morning hours. Outdoor programs takes advantage of this while providing a paddling course for people who are interested in utilizing kayaking as a way to increase fitness levels.

“Kayaking for Core Fitness Level 1 is a 3-week series of early morning workouts on beautiful Mission Bay. Perfect for beginners, this series utilizes stable double kayaks. Outdoor Programs instructors will take care of the logistics. All you have to do is show

up! Kayakers of all abilities can develop an efficient torso powered forward stroke. Sign up with a friend or get ready to make a new one!"

Custom Trips

The classic "3-hour tour" has proven to be the ideal amount of time for most beginners. This includes a 30-40 min. orientation, use of traditional closed-deck double kayaks and one guide for every 8 people on the water. Guides are trained regarding local history and are very knowledgeable about the local marine life. Custom trips can be arranged at any of our locations.

Target Participant Groups

As stated, Outdoor Programs is committed to serving the UCSF community as well as the general public. Our main target groups from this site will break down as follows:

UCSF Groups - Our mission at the University is to help make UCSF an institution of choice for students and staff. Outdoor Programs contributes by creating experiences that promote community, health and wellness for the UCSF students, faculty and staff.

Youth Groups - Another commitment of the University is to provide programs that enrich the local community. Kayaking at Mission Creek provides a great opportunity for youth groups to experience an activity that teaches leadership, teamwork and water safety.

To insure underserved youth have access to kayaking programs, Outdoor Programs will make scholarships available to qualifying groups. It is our goal to provide approximately 13 trips serving up to 208 youth at no cost and increase the scholarship fund each year with additional outside support. We will target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth are served by the kayaking program.

Outdoor Programs will also offer courses on a sliding scale to qualifying non-profit youth groups.

General Public – Courses, trips and tours are open to the general public. Outdoor Programs has a special commitment to teaching the public about boating safety.

Course Statistics

Below are the combined participation 2005 figures for Sausalito and Mission Bay along with projections for 2007, which includes courses initiated from the kayaking storage facility at Mission Park. It should be noted that approximately 90% of all participation in 2005 originated from our Sausalito location and the majority of growth in 2007 will occur at Mission Bay.

Outdoor Programs expects to serve approximately 800-1000 participants from the Mission Creek Storage Shed and Kayaking Launch each year.

Type of Course:

Type of Course	# Of Sessions Offered Annually 2005	Total Participants by Course type 2005	# Of Sessions Offered Annually 2007	Total Projected Participants by Course type 2007
Beginning level kayaking	45	720	80	1140
Intermediate/Adv Kayak	1	12	9	168
Youth Programs	1	16	16	256
Totals	47	748	105	1564

Participant Demographics:

Population Segment	# Of Participants 2005	# Of Projected Participants 2007
General boating public	348	624
School /youth groups	16	256
UCSF Staff /Fit members	258	298
UCSF students	126	386
Senior groups	0	0
Disabled groups	0	0
Total Participants	748	1564

Course Operations

Trips and classes can be offered year round; however, the main season is from May to October which could support SFUSD end-of-year and back-to school trips as well as Recreation and Parks summer camps. Programs will be run out of the park at least four times a week during the main season, including most weekends and several days during the week. Use of the shed will be during daylight hours, from approximately 6:00 a.m. to 8:00 p.m.

UCSF Outdoor Programs will store its kayaks in the kayak storage shed and begin and end its kayak tours and classes from the boat launch. When UCSF Outdoor Program staff is not physically at the kayak shed and boat launch, signs will offer public information

about the programs and who to contact to sign-up. UCSF and the Agency will agree on the design and location of the signs.

Quarterly Reports

UCSF Outdoor Programs will provide a quarterly program report to the Agency. The report will describe the activities, including all tours and classes, which took place in the quarter. The report will also include the approximate number of persons served and the demographics of the populations served (i.e., general public, youth, seniors, disabled, UCSF-affiliated groups) as well as document outreach conducted to underserved communities. The report will also note any changes to the condition of the property and any security incidents.

Waivers

UCSF Outdoor Programs will ensure that the waiver form signed by each participant in the kayak programs includes the Agency and the City and County of San Francisco as the indemnified parties and extends to the Agency the same protections that the Regents receive in the waiver.

Attachment C

Rules and Regulations for the Mission Bay Open Space System

Attachment C

RULES AND REGULATIONS FOR THE MISSION BAY OPEN SPACE SYSTEM

1. The following activities are prohibited: littering or dumping; camping; boat launching; off-leash animals; motorized vehicles except wheelchairs or other motorized devices used by the disabled; feeding or disturbing birds, animals, or fish; and bicycle riding, skateboarding, roller skating or roller blading except on designated paved paths.
2. Barbeques or open flames, amplified sound, alcoholic beverages, and posting signs are prohibited except in conjunction with a special event permit. Permits will be issued in a process consistent with the Agency's *Permit and Reservation Regulations for Parks under Agency Jurisdiction* adopted by the Agency on September 12, 1995 by Agency Resolution 182-95.
3. Open sunrise to 10:00 pm.

Attachment D

Ground Lease

**FIRST AMENDMENT TO
GROUND LEASE**

**BY AND BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO**

**AND
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

Mission Bay

**FIRST AMENDMENT TO
AGENCY GROUND LEASE**

THIS FIRST AMENDMENT TO AGENCY GROUND LEASE ("Amendment"), dated for reference purposes only as of June 29, 2006, by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. The City and the Agency entered into that certain Agency Ground Lease (the "Ground Lease") dated for reference purposes only as of November 16, 2001, to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA, each as defined hereinbelow.

B. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation ("Catellus") entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus' and its permitted Transferees' (collectively "Owner") obligations under the North OPA and the South OPA to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement

("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." In 1998, most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) were owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Master Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. The Master Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Master Lease in accordance with the terms thereof in order to convert the use of the applicable portions of the premises under the Master Lease to a permitted use under the Public Trust. The Ground Lease is designed to become effective over those portions of the Premises which are intended for uses as public open space, parks or plaza for which the Master Lease has been terminated, upon such termination of the Master Lease. As used herein, the term "Plan Documents" means the Redevelopment Plans, the North OPA, the South OPA, the Design for Development for Mission Bay North and Mission Bay South, the Mission Bay Subdivision ordinance and regulations adopted thereunder.

G. Catellus has entered into a restructuring transaction involving the Mission Bay project. On November 22, 2004, Catellus Land and Development Corporation, Catellus Operating Limited Partnership, Catellus Residential Group, Inc., Catellus Finance Company, LLC, and Mission Bay S26(a), LLC, each a seller and a subsidiary of Catellus, as sellers, entered into a Purchase Agreement with FOCIL Holdings, LLC and certain of its affiliated entities, as buyers, under which Catellus and its subsidiaries have sold a significant portion of Catellus' remaining urban and residential development assets in Mission Bay to FOCIL-MB, LLC ("FOCIL"). In connection with the Purchase Agreement referred to above, FOCIL and certain of its affiliated entities also entered into a Development Agreement with Catellus Urban Construction, Inc. and Catellus Commercial Development Corporation, each a subsidiary of Catellus, under which the FOCIL entities have engaged the Catellus subsidiaries to act as development manager for the transferred assets. In addition, Catellus Finance Company, LLC, a subsidiary of Catellus, entered into a loan agreement with a FOCIL entity, and CF Capital, LLC, a subsidiary of Catellus, entered into a separate loan agreement with other FOCIL entities, in each case to fund a portion of the purchase price for the transferred assets. The sale of the assets and the other transactions, contemplated by these agreements, closed on November 22, 2004. An Assignment, Assumption and Release document dated November 22, 2004 was recorded in the

San Francisco Official Records on December 1, 2004 as Document No. 2004-H859891-00.

G. Owner has met the conditions of Owner in the North OPA for the development of Parks NP1 and NP2 in Mission Bay North and in the South OPA for the development of Park P17 in Mission Bay South, to obligate the Agency to enter into an amendment to the Ground Lease.

H. Pursuant to the Plan Documents, the Land Transfer Agreements, and the Master Lease, the City and Agency wish to amend the Ground Lease to add the legal descriptions of Parks NP1 and NP2 in Mission Bay North and Park P17 in Mission Bay South to the Premises and attach such descriptions to the Ground Lease as part of Exhibit B

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to amend the Ground Lease as follows:

1. Exhibit B of the Ground Lease is hereby amended to add and incorporate the legal descriptions shown on Exhibit B-2 and Exhibit B-3 attached to this Amendment. Exhibit B-2 sets forth the legal descriptions to parks NP1 and NP2 in Mission Bay North, and Exhibit B-3 sets forth the legal description to park P17 in Mission Bay South.

2. Section 28 of the Ground Lease is hereby amended in its entirety to read as follows:

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

Acting by
And through
Its Board of
Supervisors:

Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880

Copy to:

City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place, Room 234
San Francisco, CA 94102-4682
Attention: Finance/Real Estate Transaction Team
FAX NO: (415) 554-4755

Acting by
And through
Its Port:

Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400

Copy to:

City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Robert Bryan
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0485

Address for Agency:

San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director

Copy to:

Agency General Counsel's Office
San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454

Address for Owner:

FOCIL-MB, LLC, a Delaware limited liability company
c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 1325
San Francisco, CA 94111
Atten: Seth Hamalian
Richard Fried

Copy to:

Coblentz, Patch, Duffy & Bass, LLP
One Ferry Building, Suite 200
San Francisco, CA 94111
Atten: Joshua R. Steinhauer

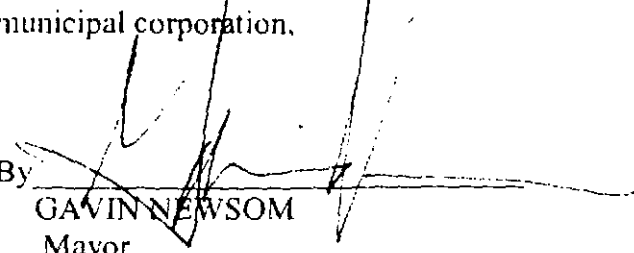
And to:

ProLogis
255 Channel Street
San Francisco, CA 94107
Atten: William Kennedy, First Vice President

3. Except as expressly modified by this Amendment, all of the terms and conditions of the Ground Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, CITY and Agency execute this Amendment at San Francisco, California, as of the date set forth above.

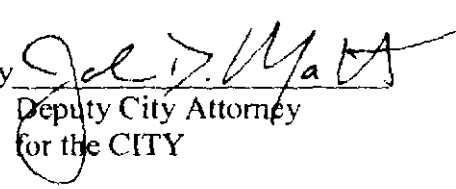
CITY:
CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

By 
GAVIN NEWSOM
Mayor

By 
Amy L. Brown
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

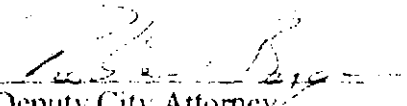
By 
Deputy City Attorney
for the CITY

SAN FRANCISCO PORT COMMISSION

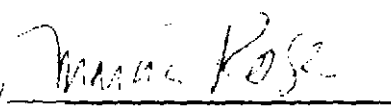
By 
MONIQUE MOYER
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

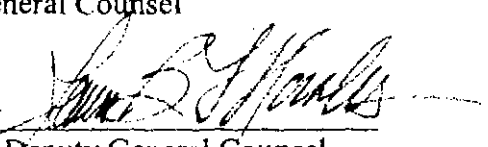
By 
Deputy City Attorney
for the PORT

AGENCY:
Redevelopment Agency
of the City and County of
San Francisco

By 
MARCIA ROSEN
Executive Director

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By 
Deputy General Counsel

CONSENT

The undersigned, on behalf of Owner, in executing this Amendment for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Master Lease; provided, however, that nothing continued herein shall be deemed to impose any additional obligations or liabilities upon Owner under the Amendment other than as is already set forth in the Plan Documents and the Land Transfer Agreements, hereby consents to the foregoing Amendment.

FOCIL-MB, LLC, a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
its Manager

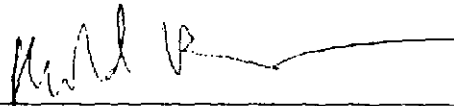
By: 
Name: **Richard B. Fried**
Its: **Managing Member**

EXHIBIT "B-2"

(NP1 & NP2 PARKS)

EXHIBIT "B-2"

(NP1 & NP2 PARKS)

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Park NP1

Beginning at the most southerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of said City and County; thence, along the southeasterly line of said Lot 4, being also a boundary line of the above-said State Trust Parcel 1, North 46°18'07" East, 776.70 feet, to the southwesterly line of Fourth Street (82.50' wide), as shown on the above-said "Map of Mission Bay"; thence, along said southwesterly line, South 43°41'53" East, 60.00 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 776.70 feet, to the southeasterly prolongation of the southwesterly line of said Lot 4; thence, along said prolongation, North 43°41'53" West, 60.00 feet, to the **Point of Beginning**.

Containing 46,602 Sq. Ft., more or less.

Park NP2

Beginning at the most westerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP - Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of the City and County of San Francisco, State of California; thence, along the southwesterly line of said Lot 4, South 43°41'53" East, 241.50 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 180.00 feet, to the southeasterly prolongation of the northeasterly line of Block 8707, Lot 5, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N4A)", recorded on December 7, 2004, in Book AA, of Maps, at Pages 179-183; thence, along said prolongation, North 43°41'53" West, 241.50 feet, to northwesterly line of Street Vacation SV-28, as said Street was vacated by Ordinance 328-98, and recorded in

Book H429, Image 505, Official Records, in the Office of the Recorder of said City and County; thence, along said northwesterly line, North $46^{\circ}18'07''$ East, 131.25 feet, to the northwesterly line of Street Vacation SV-26, as said Street was vacated by said Ordinance 328-98; thence, along said northwesterly line, North $46^{\circ}18'07''$ East, 48.75 feet, to the **Point of Beginning**.

Containing 43,470 Sq. Ft., more or less.

Description approved by:



Bruce Storrs, L.S. 6914

My License Expires September 30, 2007
City and County Surveyor, San Francisco





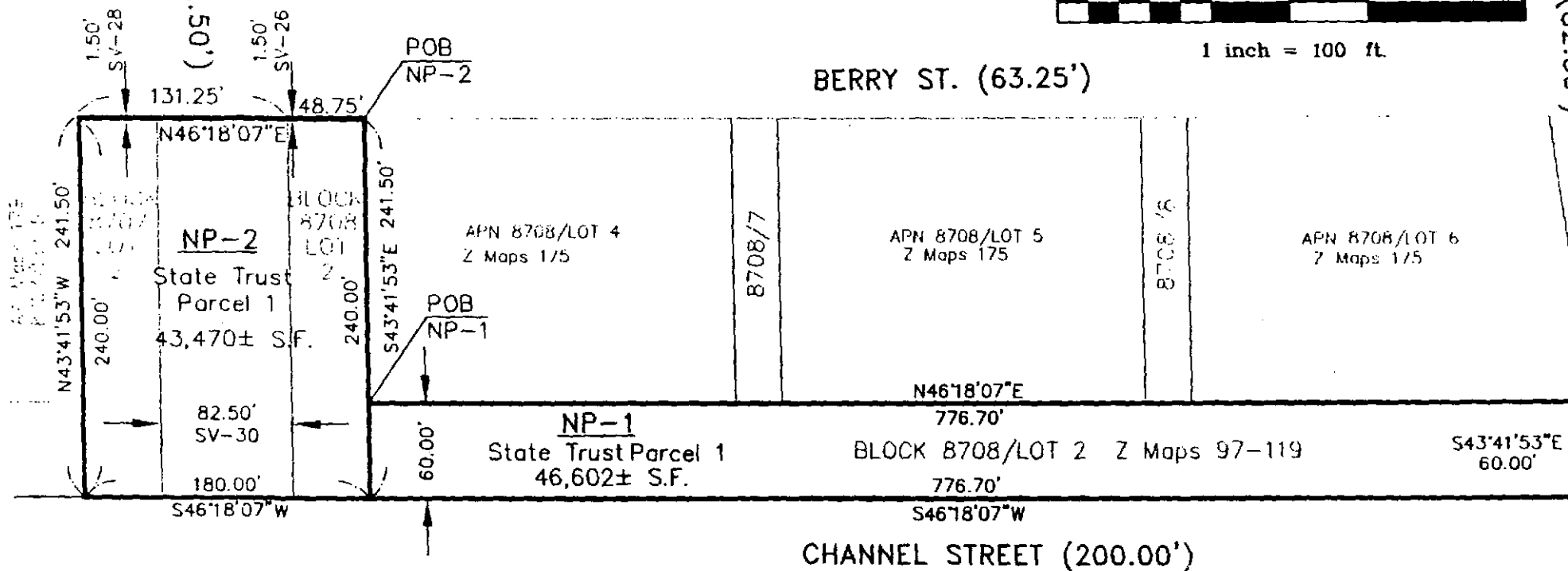
GRAPHIC SCALE



1 inch = 100 ft.

FOURTH STREET (82.50')

BERRY ST. (63.25')

LEGEND

- _____ Park Boundary
 _____ Lot Line
 POB Point of Beginning
 SV-28 Street Vacation-H429 Image 505

e: 04/06/08

MBTF
 Mission Bay Task Force
 30 Van Ness Ave.
 Room 4200
 San Francisco, Ca 94102

llc

Mission Bay Project
 San Francisco, California
 Exhibit
 Plat to Accompany
 Legal Description

sheet 1
 of
 sheet 1

Exhibit "B-2.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Box Sewer Facility and the 12-inch VCP Sewer, encased in concrete, as they now exists. Said easements are shown in their approximate location on the attached plat map "B-2.1" to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')



APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

241.50'

7' X 9' SEWER ON PILES

12" VCP SEWER ENCASED IN CONCRETE

NP-2

181.50'

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

8708/3

APN 8708/LOT 6
Z Maps 175

776.70'

BLOCK 8708/LOT 2

Z Maps 97

NP-1

180.00'

776.70'

CHANNEL STREET

00.09

Legend

Park Boundary

SV-30

Street Vacation-H429 Image 505

Lot Line

te: 04/06/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

tte

Mission Bay Project
San Francisco, California
Exhibit "B-2.1"
Plat to Accompany
Legal Description

sheet 1

of

sheet 1

Combined Sewer Electrical Easements - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer electrical system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled " Map of Mission Bay", recorded on July 19, 1999 in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of each electrical facility, each of which will be required for access and maintenance of combined sewer electrical facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map "B-2.2" to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175



BERRY ST. (63.25')

180.00'

APN 8708/LOT 4
Z Maps 175

APN 8708/LOT 5
Z Maps 175

APN 8708/LOT 6
Z Maps 175

NP-2

State Trust Parcel 1
H429 Image 518

8708/7

8708/5

776.70'

BLOCK 8708/LOT 2 Z Maps 97

NP-1

776.70'

CHANNEL STREET

Sewer
Electrical

180.00'

00'09"

Legend

— Park Boundary

— Street Vacation—H429 Image 505

— Lot Line

at: 04/06/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
Exhibit "B-2.2"
Plat to Accompany
Legal Description

sheet 1
of
sheet 1

MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Metropolitan Transit Authority, MTA, and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future MUNI duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MTA, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MTA, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.3 to be used for reference only.

FIFTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175APN 8705/LOT 7
Z Maps 175

FOURTH STREET (82.50')

BERRY ST. (63.25')

180.00'

NP-2

APN 8708/LOT 4
Z Maps 175State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

776.70'

8708/3

MUNI UTILITY
DUCT BANKSAPN 8708/LOT 6
Z Maps 175Muni duct bank
Easements

BLOCK 8708/LOT 2 Z Maps 97

NP-1

00.09

180.00'

776.70'

CHANNEL STREET

Legend

Park Boundary

SV-30

Street Vacation-H429 Image 505

Lot Line

e: 04/06/08

MBTF

Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

tfc

Mission Bay Project
San Francisco, California
Exhibit "B-2.3"
Plat to Accompany
Legal Descriptionsheet 1
of
sheet 1

Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

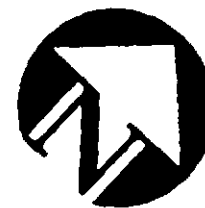
A strip of land 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline and 7.5 feet southerly of the storm drain facilities, which will be required for access and maintenance of City storm drain facility extending onto the property and centered around said facilities as it now exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-2.4 to be used for reference only.

APN 8705
LOT 6
Z Maps 175

FIFTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175



FOURTH STREET (82.50')

BERRY ST. (63.25')

180.00'

SV-26

SV-26

BLOCK 8708
LOT 1

181.50'

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

8708/8

APN 8708/LOT 6
Z Maps 175

776.70'

BLOCK 8708/LOT 2 Z Maps 97

NP-1

776.70'

180.00'

CHANNEL STREET

100.09'

Legend

— Park Boundary

SV-30

Street Vacation—H429 Image 505

Lot Line

re: 04/06/06

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

ttc

Mission Bay Project
San Francisco, California
Exhibit "B-2.4"
Plat to Accompany
Legal Description

sheet 1

of

sheet 1

Water line Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of water lines, fire hydrants and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of water lines and fire hydrants.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the water lines, each of which will be required for access and maintenance of City water line and fire hydrant facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.5 to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

NP-2

APN 8708/LOT 4
Z Maps 175APN 8708/LOT 5
Z Maps 175APN 8708/LOT 6
Z Maps 175State Trust Parcel 1
H429 Image 518

EX. 12" LPW

776.70'

NEW FH
LOCATIONNEW FH
LOCATION

NP-1

NEW FH
LOCATION

BLOCK 8705/1012 Z Maps 97

180.00'

NEW FH WITH
SUCTION INLET
(STA: 20+75 +/-)RELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADERELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADERELOCATE
EX. FH TO
1' OFFSET
FROM EDGE
OF NEW
ESPLANADE

776.70'

Legend

Park Boundary

Street Vacation—H429 Image 505

Lot Line

CHANNEL STREET

04/06/06

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
Exhibit "B-2.5"
Plat to Accompany
Legal Description

sheet 1

of

sheet 1

Emergency Vehicle Access Easement - The City and County of San Francisco (the ("City")) reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right over a minimum twenty foot (20') wide area within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress. The City further reserves third party beneficiary rights for enforcement of said Emergency Vehicle Access Easement.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A stripe of land, 20 feet in width within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress, and as generally shown on the improvement plans (drawing L3.0) prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director.

As to each of the reservations set forth in this Exhibit B-2.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

Description approved:

By: 
Bruce Storrs, L.S. 6914
My License Expires September 30, 2007
City and County Surveyor, San Francisco



EXHIBIT "B-3"

(P17 PARK)

EXHIBIT "B-3"

(P17 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street lines and Assessor's Blocks/Lots herein mentioned are in accordance with that certain map entitled "Final Map-Planned Development Mission Bay (9-9A and 10-10A)", recorded on May 31, 2005, in Book BB, of Maps, at pages 6-10, in the Office of the Recorder of the City and County of San Francisco, State of California.

Commencing at the southeasterly corner of Block 8720/Lot 17, as shown on said Final Map; thence, along the easterly extension of the southerly line of said Lot 17, North 86°49'04" East, 98.32 feet; thence, South 03°10'56" East, 35.25 feet, to the **TRUE POINT OF BEGINNING** of this description, said point also being the beginning of a non-tangent curve concaved to the west, from which the radius point of said non-tangent curve bears, South 73°45'40" West, 940.33 feet; thence, along the arc of said non-tangent curve, southerly, 156.94 feet, through a central angle of 09°33'46", to the being the beginning of a non-tangent curve concaved to the north, from which the radius point of said non-tangent curve bears, North 22°42'17" West, 19.50 feet; thence, along the arc of said non-tangent curve, westerly, 7.33 feet, through a central angle of 21°31'42"; thence South 86°49'04" West, 304.46 feet, to the being the beginning of a tangent curve concaved northeasterly, from which the radius point of said tangent curve bears, North 03°10'56" West, 14.50 feet; thence, along the arc of said tangent curve, westerly and northerly, 22.78 feet, through a central angle of 90°00'00"; thence, North 03°10'56" West, 101.25 feet, to the beginning of a tangent curve concaved southeasterly, from which the radius point of said tangent curve bears, North 86°49'04" East, 14.50 feet; thence, along the arc of said tangent curve, northerly and easterly, 22.78 feet, through a central angle of 90°00'00"; thence, North 86°49'04" East, 291.02 feet to the **TRUE POINT OF BEGINNING**.

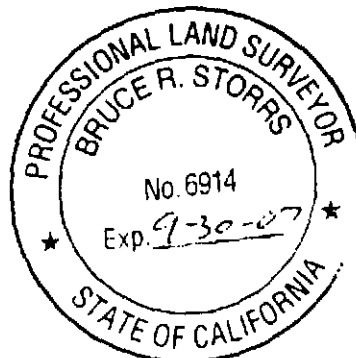
Containing 0.947 Acres, more or less.

Description approved by:



Bruce Storrs, L.S. 6914

My License Expires September 30, 2007

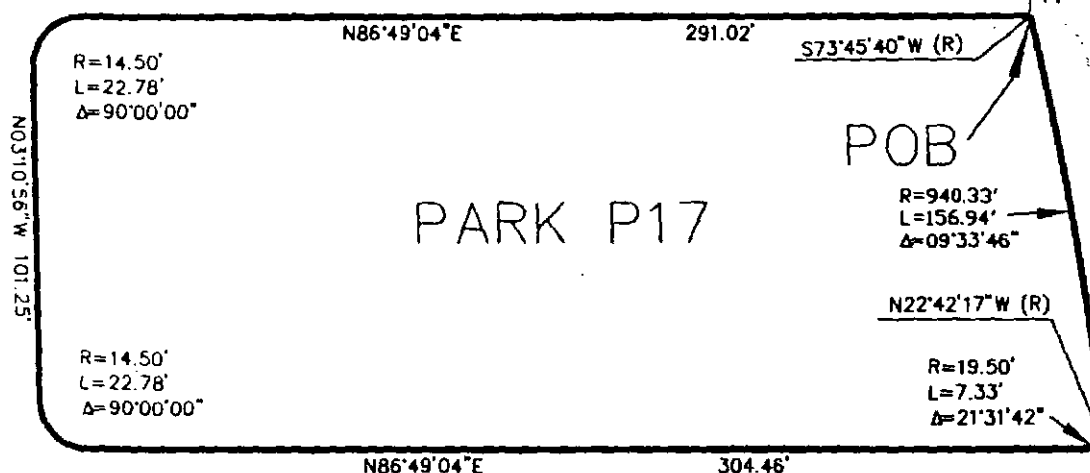


APN 8720/17 POC Park P18
(Block 9A)



SCALE: 1"=60'

Mission Bay Blvd. North (35.25')



TERRY FRANCIS BLVD.

Mission Bay Blvd. South (35.25')

APN 8721/10
(Block 26a)

LEGEND

— Park Boundary

- - - Lot Line

POC

POB

Park Boundary

Lot Line

Point of Commencement

Point of Beginning

04/12/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

ttc

Mission Bay Project
San Francisco, California
Park P17
Exhibit to Accompany Legal Description

sheet 1
of
sheet 1

Exhibit "B-3.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Legal Description

Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-3" a temporary, non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of the existing storm drain facilities, which will be required for temporary access and maintenance of City storm drain facilities and centered around the storm drain facilities as it now exists or may exist in the future. Said easement is shown in its approximate location on the attached plat map B-3.1 to be used for reference only.

As to the reservation set forth in this Exhibit B-3.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall State (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Description and Plat Map are approved.

By: Bruce Storrs
Bruce Storrs, L.S. 6914
My License Expires September 30, 2007
City and County Surveyor, San Francisco



APN 8720/17
(Block 9A)

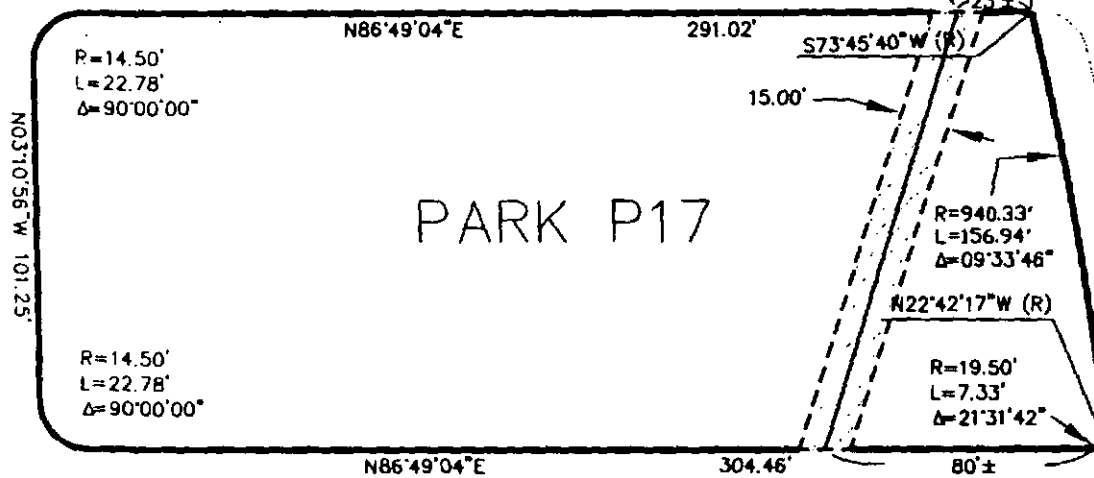
POC

Park P18



SCALE: 1"=60'

Mission Bay Blvd. North (35.25')

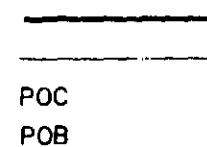


Mission Bay Blvd. South (35.25')

TERRY A. FRANCIOS BLVD.

APN 8721/10
(Block 26a)

LEGEND



Park Boundary
Lot Line
Point of Commencement
Point of Beginning

te: 6/21/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Co 94102

Mission Bay Project
San Francisco, California
EXHIBIT "B-3.1"
Plot to Accompany Legal Description

sheet 1
of
sheet 1

GROUND LEASE

BY AND BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO

AND

REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

Table of Contents

<u>Section</u>	<u>Page</u>
AGENCY GROUND LEASE	2
Recitals	2
Main Text	3
1. Definitions	3
2. Premises.	7
3. Rent.	8
3.1 Base Rent.	8
3.2 Additional Charges.	8
3.3 Manner of Payment.	8
4. Term.	8
5. Permit to Enter.	9
6. Taxes and Assessments.	9
6.1 Payment of Taxes.	9
6.2 Possessory Interest Tax.	9
7. Use of the Premises.	10
7.1 Permitted Use.	10
7.2 Prohibited Activities.	10
7.3 Premises Must Be Used.	10
7.4 Park Code.	10
7.5	10
8. Compliance with Laws and Regulations.	11
9. Regulatory Approvals.	11
10. Security, Maintenance and Repairs.	13
10.1 Maintenance and Repair Obligations.	13
10.2 City's Right to Inspect and Repair.	13
10.3 Security.	14
11. Utilities and Services.	14
11.1 Utilities.	14
11.2 Services.	14

<u>Section</u>	<u>Page</u>
12. Improvements and Alterations.	14
12.1 Construction Requirements.	14
12.2 Improvements Part of Realty.	15
12.3 Alterations to Improvements.	15
13. Suitability; Acceptance.	15
14. Liens.	16
15. Hazardous Substances.	16
15.1 Requirements for Handling.	16
15.2 Agency Responsibility.	16
15.3 Requirement to Remove.	16
16. Insurance	17
16.1 Required Insurance Coverage.	17
16.2 Claims-Made Policies.	17
16.3 Annual Aggregate Limits.	17
16.4 Payment of Premiums.	18
16.5 Waiver of Subrogation Rights.	18
16.6 General Insurance Matters.	18
17. Damage and Destruction.	19
17.1 Damage and Destruction.	19
17.2 Waiver.	19
18. Eminent Domain.	19
18.1 General.	19
18.2 Partial Takings.	19
18.3 Temporary Takings.	20
18.4 Award; Waiver.	20
19. Indemnity and Exculpation.	20
19.1 Indemnity.	20
19.2 Exculpation.	21
19.3 Hazardous Substances Indemnification.	21
20. Assignment and Subletting; Third Party Beneficiary.	21
20.1 Agency Assignment and Subletting.	21
20.2 City Assignment or Transfer.	22

<u>Section</u>	<u>Page</u>
20.3 Owner Third Party Beneficiary.	22
20.4 Exception to Prohibition on Transfers.	22
20.5 Environmental Provisions in Future Leases.	23
21. Default by Agency.	23
21.1 Event of Default.	23
21.2 City's Remedies.	23
21.3 Damages.	24
21.4. Certain Transfers after Termination.	25
22. Litigation Expenses; Attorneys' Fees.	25
22.1 Litigation Expenses.	25
22.2 Appeals.	25
22.3 City Attorney/Agency General Counsel.	25
23. City's Entry on Premises.	25
23.1 Entry for Inspection.	25
23.2 General Entry.	25
23.3 No Liability.	26
23.4 Non-Disturbance.	26
24. Surrender and Quitclaim.	26
24.1 Surrender.	26
24.2 Quitclaim.	26
25. Holding Over.	27
26. Mineral Reservation.	27
27. City Requirements.	27
27.1 Non-Discrimination.	27
27.2 Program in Diversity/Economic Development Program.	27
27.3 MacBride Principles-Northern Ireland.	27
27.4 Tropical Hardwood and Virgin Redwood Ban.	28
27.5 Pesticide Prohibition.	28
27.6 First Source Hiring Ordinance.	28
27.7 Drug-Free Workplace.	28
27.8 Prohibition of Tobacco Advertising.	28
27.9 Prevailing Wages.	29

<u>Section</u>	<u>Page</u>
28. Notices.	29
(a)	29
(b)	29
29 Time is of the Essence.	31
30. Signs.	31
31. Miscellaneous Provisions.	31
31.1 California Law.	31
31.2 Entire Agreement.	31
31.3 Amendments.	31
31.4 Severability.	31
31.5 No Party Drafter; Captions.	31
31.6 Singular, Plural, Gender.	32
31.7 Successors.	32
31.8 Counterparts.	32
31.9 Waiver.	32
31.10 Further Assurances.	32
EXHIBITS	37

AGENCY GROUND LEASE

THIS AGENCY GROUND LEASE ("Lease"), dated for reference purposes only as of November 16, 2001 by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

B. The Redevelopment Plans for Mission Bay North and Mission Bay South provide for the redevelopment, rehabilitation and revitalization of the North Plan Area and the South Plan Area, respectively, as those terms are defined in the Mission Bay North Redevelopment Plan and the Mission Bay South Redevelopment Plan. The South Plan Area also includes an approximately forty-three (43) acre campus site (the "Campus Site") for the University of California, San Francisco.

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus Development Corporation's and its permitted Transferee's under the North OPA and the South OPA (collectively "Owner") obligations to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and

Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement ("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." Most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) are currently owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Catellus Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. Under the North OPA and the South OPA, the Owner's construction of the Infrastructure (as defined below) described in the Infrastructure Plan (attached to the North OPA and the South OPA, respectively) for the North Plan Area and the South Plan Area (including the public open space, parks, and plazas to be constructed as part of the Improvements) will be in Major Phases, the development of which Major Phases shall be in such order as the Owner deems appropriate.

G. In accordance with the applicable Financing Plan, the Agency will be establishing community facilities districts (collectively, "CFDs", and individually, a "CFD") for the North Plan Area and the South Plan Area, respectively, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. The CFDs for the North Plan Area and the South Plan Area will each issue bonds to permit the financing of Infrastructure (including the public open space, parks and plazas) under the applicable Infrastructure Plan before development in the North Plan Area or the South Plan Area (as the case may be) generates tax increment which may be applied for such purpose. Each of the Financing Plans also provides for the Agency to form CFDs for the purpose of collecting monies to pay for ongoing costs of operation, maintenance, and repair of Open Space Parcels in the North Plan Area and the South Plan Area. Tax increment from the applicable North Plan Area or the South Plan Area and/or the issuance of bonds secured by a pledge of such increment will then be used to make payments on indebtedness of each of the CFDs, refund or defease each of the CFDs' indebtedness, or pay or otherwise reimburse directly the costs of Infrastructure (including the public open space, parks and plazas), or a combination of the foregoing, all as further provided in the applicable Financing Plan for the North Plan Area or the South Plan Area.

H. The Catellus Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Catellus Lease in accordance with the terms thereof in order to convert the

use of the applicable portions of the premises under the Catellus Lease to a permitted use under the Public Trust. This Lease shall become effective over the portion of the Premises which is intended for uses as public open space, parks or plaza for which the Catellus Lease has been terminated, upon such termination of the Catellus Lease.

I. Pursuant to the Catellus Lease, the CLTA and the PLTA, the City and the Agency are entering into this Lease to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to the following:

1. **Definitions** For purposes of this Lease, capitalized terms used herein shall have the meanings set forth in the North OPA and the South OPA unless otherwise defined hereinbelow:

1.1 **"ACPT"** shall have the meaning set forth in Recital D of this Lease.

1.2 **"Agency Leasehold Parcels"** has the meaning set forth in the PLTA and is depicted on Exhibit A, attached hereto and made a part hereof.

1.3 **"Agency Lease Notice"** means the Agency Lease Notice as specified in Section 2.1 hereof.

1.4 **"Agents"** means, when used with reference to either party hereto, the officers, directors, employees, agents and contractors of such party, and their respective heirs, legal representatives, successors and assigns.

1.5 **"Alterations"** means any alterations, installations or additions to any Improvements or to the Premises, exclusive of activities related to the customary maintenance, repair and replacement of Improvements or the Premises consistent with the applicable Infrastructure Plan and other related Plan Documents.

1.6 **"Arts Commission"** shall have the meaning set forth in Section 9(b) of this Lease.

1.7 **"Artwork"** means works of art, including sculpture, bas-relief, murals, mosaics, decorative water features, tapestries or other art works placed upon the Premises.

1.8 **"Base Rent"** means the Base Rent specified in Section 3.1 hereof.

1.9 **"Board"** means the Board of Supervisors of the City and County of San Francisco.

- 1.10 "Campus Site" means the Campus Site as specified in Recital B hereof.
- 1.11 "Catellus Lease" shall have the meaning set forth in Recital E of this Lease.
- 1.12 "CLTA" shall have the meaning set forth in Recital D of this Lease.
- 1.13 "CFD" shall have the meaning set forth in Recital G of this Lease.
- 1.14 "Commencement Date" means the date on which the Term of this Lease commences as specified in Section 4 hereof.
- 1.15 "Effective Date" means the Effective Date as specified in Section 2 hereof.
- 1.16 "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts ordinances, rules, codes, orders, decrees, directives, guidelines, plans, risk management plans, recorded property covenants and/or restrictions, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future relating to the environment or to any Hazardous Substances (including, without limitation, the Risk Management Plan for the Mission Bay Area as approved by the Regional Water Quality Control Board, all Environmental Covenants and Restrictions on Property, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 *et seq.*) ("CERCLA")), which are or become applicable to Agency or the Premises and/or the North Plan Area and South Plan Area.
- 1.17 "Expiration Date" means the Expiration Date specified in Section 4 hereof.
- 1.18 "Financing Plan" shall have the meaning set forth in Recital G of this Lease.
- 1.19 "Handle" or "Handling" means to use, generate, process, produce, package, treat, store, emit, discharge, transport or dispose.
- 1.20 "Hazardous Substance" shall mean Hazardous Substance as defined in the North OPA or the South OPA, as applicable.
- 1.21 "Improvements" means Improvements as defined in the North OPA or the South OPA, as applicable.
- 1.22 "Infrastructure" shall have the meaning defined in the North OPA or South OPA, as applicable.
- 1.23 "Infrastructure Plan" shall have the meaning set forth in Recital F of this Lease.
- 1.24 "Invitees" when used with respect to either party means the clients, customers, invitees, guests, members, licensees, assignees and subtenants of either party, including members of the general public using the Premises.

1.25 "Laws" means all laws, statutes, ordinances, resolutions, regulations, policies, judicial decisions, proclamations, orders or decrees of any municipal, county, state or federal government or the departments, courts, commissions, boards and officers thereof, or other governmental or regulatory authority with jurisdiction over the Premises or any portion thereof, including, without limitation, all Environmental Laws, and the Port and City Park Codes or any portion thereof, if applicable.

1.26 "Litigation Force Majeure" means any action or proceeding before any court, tribunal, arbitration panel, or other judicial, adjudicative or legislative decision-making body, including any administrative appeal, brought by a third party, (a) which seeks to challenge the validity of any action taken by City or Agency in connection with this Lease, including City or Agency's approval, execution, and delivery of this Lease and its performance hereunder, or of any resolution of, or other action by, the Redevelopment Agency Commission or City's Board of Supervisors, approving Agency's or City's or Port Commissions' execution and delivery of this Lease, the performance of any action required or permitted to be performed by Agency or City hereunder, or any findings upon which any of the foregoing are predicated, or (b) which asserts a claim to any ownership or possessory interest in the Premises adverse to that of City or Agency, or (c) which seeks to restrain, enjoin, condition, prohibit, delay, halt, hinder or prevent construction of the Improvements. Performance by a party hereunder shall be deemed delayed or made impossible by virtue of Litigation Force Majeure during the pendency thereof, and until a judgment, order, or other decision resolving such matter in favor of the party whose performance is delayed has become final and unappealable, provided that (x) the party proceeds with due diligence to defend such action or proceeding or take other appropriate measures to resolve any dispute that is the subject of such action or proceeding, and (y) the Litigation Force Majeure affects the Premises or portion thereof on which the obligation to perform is based. Under no circumstances shall the delay attributable to an event of Litigation Force Majeure extend beyond one (1) year, unless such event of Litigation Force Majeure arises primarily from (i) a procedural defect in Agency or City proceedings, (ii) Agency or City taking any action beyond its powers, (iii) Agency or City taking any action constituting an abuse of discretion, or (iv) after commencement of construction of the Improvements on the Premises.

1.27 "Maintenance CFD" shall have the meaning set forth in Section 10.1 of this Lease.

1.28 "Mission Bay North" shall have the meaning set forth in Recital A of this Lease

1.29 "Mission Bay North Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.30 "Mission Bay South" shall have the meaning set forth in Recital A of this Lease.

1.31 "Mission Bay South Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.32 "North Arts MOU" shall have the meaning set forth in Section 9(b) of this Lease.

- 1.33 "**North ICA**" shall have the meaning set forth in Section 8 of this Lease.
- 1.34 "**North OPA**" means the North OPA as specified in Recital C hereof.
- 1.35 "**North Plan Area**" means the North Plan Area as specified in Recital B.
- 1.36 "**Official Records**" means the official records of the City.
- 1.37 "**Open Space Development Parcels**" means the Open Space Parcels within the North Plan Area, the South Plan Area, and the Bayfront Park, which are to be developed as open space, parks or plazas pursuant to the North OPA and the South OPA, including without limitation the Port Open Space Parcels (as defined in the PLTA) all of which are shown in Exhibit A, and which from time to time are made subject to this Lease in accordance with Section 2.1, all as shown on Exhibit B attached hereto and made a part hereof.
- 1.38 "**Owner**" means the Owner as specified in Recital C hereof and its successors and assigns pursuant to the North OPA or the South OPA, as applicable.
- 1.39 "**Plan Documents**" shall have the meaning given to it in Attachment 5 to the Redevelopment Plan for the North Plan Area and the South Plan Area, respectively.
- 1.40 "**PLTA**" shall have the meaning set forth in Recital D of this Lease.
- 1.41 "**Permitted Use**" means the Permitted Uses set forth in Section 7.1.
- 1.42 "**Premises**" means the Open Space Development Parcels set forth in Section 1.37 that have been made subject to this Lease in accordance with Section 2.1, as shown on or to be shown on Exhibit B.
- 1.43 "**Public Trust**" means either (i) the public trust for commerce, navigation and fisheries or (ii) the statutory trust imposed by the provisions of the California Statutes of 1968, Chapter 1333, as amended, whichever is applicable.
- 1.44 "**Redevelopment Plans**" shall have the meaning set forth in Recital A of this Lease
- 1.45 "**Regulatory Approval**" means any authorization, approval or a permit required by any governmental agency having jurisdiction over the Premises, including but not limited to the State Lands Commission and the San Francisco Bay Conservation and Development Commission ("BCDC").
- 1.46 "**Release**" when used with respect to a Hazardous Substance means any spilling, leaking, pumping, pouring emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of the Hazardous Substance into the environment.

1.47 "Rent" means the Base Rent and any other monetary sum due hereunder.

1.48 "RMP" means the "Risk Management Plan" or "RMP" approved by the Regional Water Quality Control Board for the San Francisco Bay Region in May, 1999, covering among other properties, the Premises.

1.49 "South Arts MOU" shall have the meaning set forth in Section 9(b) of this Lease.

1.50 "South ICA" shall have the meaning set forth in Section 8 of this Lease.

1.51 "South OPA" means the South OPA as specified in Recital C hereof.

1.52 "South Plan Area" means the South Plan Area as specified in Recital B hereof.

1.53 "Term" has the meaning set forth in Section 4 hereof.

2. **Premises.** For the Term and subject to the terms and conditions set forth herein, City hereby agrees to lease to Agency, and Agency hereby agrees to lease from City, the Premises. The City will deliver possession of the Premises in phases as set forth below. The initial phase of the Premises which is subject to this Lease is described in Exhibit B attached hereto. This Lease shall become effective as to each subsequent portion of the Premises described in each such phase on the date (the "Effective Date") that the City and the Agency initial and date a written legal description of the affected portion of the Premises and attach such description to this Lease as part of Exhibit B.

2.1 Provided that Owner has met the conditions of Owner in the North OPA or the South OPA, as applicable, to the Agency obligation to enter into this Lease, City and Agency shall initial and date a written legal description of each subsequent portion of the Premises and attach such description to this Lease as part of Exhibit B within the following time periods after City and Agency have each received a written notice from Owner (an "Agency Lease Notice") specifying the portions of the Open Space Development Parcels that Owner intends to develop as public open space, parks, or plazas in accordance with the Plan Documents:

a. With respect to any Agency Leasehold Parcels (as defined in the PLTA), within sixty (60) days following the receipt of an Agency Lease Notice for such Agency Leasehold Parcel, subject to Litigation Force Majeure;

b. With respect to any other portion of the Premises, within thirty (30) days following the receipt by City and Agency of an Agency Lease Notice for such portion of the Premises, subject to Litigation Force Majeure.

2.2 As to any Trust Land Termination Parcel (as defined in Section 3.3 of the Catellus Lease) terminated by City, acting as the trust administrator of the Public Trust, in order to convert the interim uses thereon to open space uses (all in accordance with the provisions for such termination by City under the Catellus Lease), City and Agency shall initial and date a

written legal description of the affected portion of such Trust Land Termination Parcel and attach such description to this Lease as part of Exhibit B concurrently with the effective date of any such termination. Any portion of the Premises added to this Lease pursuant to this Section 2.2 shall be developed in a manner consistent with the North OPA or the South OPA, as applicable.

2.3 The land described herein as the Premises may contain hazardous materials in soils and in the ground water under the property, and is subject to all of the terms, covenants and conditions described in and imposed by virtue of that certain Covenant and Environmental Restriction on Property ("Covenant and Restriction") made by (or to be made by) City for the benefit of (and in the form previously approved by) the California Regional Water Quality Control Board for the San Francisco Bay Region (the "RWQCB") in order to satisfy one or more conditions imposed by resolution of the RWQCB dated May 26, 1998, to the issuance of a Certificate of Completion under Section 25264 of the California Health and Safety Code. The Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the Premises described herein. This statement is not a declaration that a hazard exists.

3. Rent. Agency shall pay to City, in the manner herein described, the following Rent:

3.1 Base Rent. Base Rent shall be the sum of One Dollar (\$1.00) per year for the entire Premises without regard for the Effective Date as to any portions of the Premises for the Term hereof ("Base Rent"). Agency shall pay Base Rent in advance for the entire Term, in the amount of Forty-Five Dollars (\$45.00), on or before the Commencement Date.

3.2 Additional Charges. In addition to Base Rent, Agency shall pay or cause to be paid any and all real property taxes, possessory interest taxes and other costs, impositions and expenses related to the Premises as provided in Section 6 hereof, plus all other charges related to the Premises otherwise payable by Agency to City hereunder, including, without limitation, all charges for the repair or maintenance of utilities located within the Premises pursuant to Section 11.1 hereof (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".

3.3 Manner of Payment. All payments due from Agency to City under this Lease shall be made to City without any abatement, deduction, set-off, prior notice or demand, except as otherwise expressly provided in this Lease, in lawful money of the United States of America at City's address set forth in Section 28 or to such other person or at such other place as City may from time to time designate by written notice to Agency.

4. **Term.** Irrespective of the Effective Date for any particular portion of the Premises, the term of this Lease ("Term") shall commence on November 16, 2001 ("Commencement Date"), and shall terminate on the date ("Expiration Date") which is the later to occur of (i) the date that is forty five (45) years after the Commencement Date or (ii) as to those portions of the Premises within the North Plan Area, the expiration of the Redevelopment Plan for the North Plan Area, and as to those portions of the Premises within the South Plan Area, the expiration of the Redevelopment Plan for the South Plan Area, unless sooner terminated in accordance with the terms hereof.

5. Permit to Enter.

Concurrently with the Effective Date of this Lease for each portion of the Premises, Agency shall grant to Owner permits to enter such portions of the Premises, including the Bayfront Park, substantially in the form attached to the North OPA and/or the South OPA, as applicable, for the purposes of constructing the Improvements for the Open Space Parcels and related Infrastructure, as well as environmental testing and remediation.

6. Taxes and Assessments.

6.1 Payment of Taxes. During the Term of this Lease, Agency agrees to pay or cause to be paid, when due, to the proper authority any and all real property and personal taxes, general and special assessments, license fees, permit fees and all other governmental charges of any kind or nature whatsoever, including without limitation all penalties and interest thereon, levied or assessed on the Premises, on any personal property on the Premises, the leasehold or subleasehold estate or Agency's use of the Premises, whether in effect at the time this Lease is entered into or which become effective thereafter, and all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Premises. Agency shall not permit any such taxes, assessments or other charges to become a defaulted lien on the Premises or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Agency may make, or cause to be made, payment in installments; and provided, further, that Agency may, through such proceeding as Agency considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge so long as such assessment or charge does not become a defaulted lien. In the event of any such contest, Agency shall indemnify and hold City, and its Agents harmless from and against all losses, damages, costs, or expenses, including attorneys' fees, resulting therefrom.

6.2 Possessory Interest Tax. Agency acknowledges and understands that a possessory interest subject to property taxation may be created by this Lease or any sublease or other agreement the Agency may enter into conferring a right to enter, occupy, and/or possess any portion of the Premises. The Agency further acknowledges that property taxes may be levied on such possessory interest and that any party who uses, occupies, or possesses any portion of the Premises may be subjected to the payment of such property taxes. Agency further acknowledges that Agency is familiar with San Francisco Administrative Code Sections 23.38 and 23.39, which require that City submit a report, which includes specified information relating to the creation, renewal, sublease, or assignment of any such possessory interest, to the County Assessor within 60 days after any such transaction. Agency agrees to provide to City the information required by Section 23.39 within thirty (30) days of a request in writing by City to do so. Agency shall cause the provisions of this Section 6.2 to be incorporated into all subleases, permits to enter, and other agreements concerning the use, occupancy, or possession of the Premises that Agency grants to Owner pursuant to Section 5 above.

7. Use of the Premises.

7.1 Permitted Use. The Premises shall be used and occupied only for public open space, public park and public plaza uses (and the construction thereof including, without limitation, the installation of public works of art)(collectively referred to as "Permitted Use"), which open space, parks and plazas shall be improved, maintained and operated consistent with the permissible uses and requirements of the North OPA, South OPA and the applicable Redevelopment Plan and Plan Documents, and the Public Trust use restrictions imposed by the Act (as defined in the PLTA). The Premises may not be used for any other purpose.

7.2 Prohibited Activities. Agency agrees that the following activities, by way of example only and without limitation, are inconsistent with this Lease and are strictly prohibited without the prior written consent of City: (a) any activity, or the maintaining of any object, which is not within the Permitted Use; (b) any activity, or the maintaining of any object, which will in any way increase the existing rate of, or affect or cause a cancellation of, any fire or other insurance policy covering the Premises, any part thereof or any of its contents; (c) any activity or object which will cause damage to the Premises (ordinary wear and tear and typical uses associated with the Permitted Use excepted); (d) any activity which constitutes waste or nuisance to owners or occupants of adjacent properties; (e) any activity which will in any way injure, obstruct or interfere with the rights of owners or occupants of adjacent properties, including rights of ingress and egress; or (f) use of the Premises for sleeping or personal living quarters or overnight camping.

7.3 Premises Must Be Used. Agency shall use the Premises continuously during the Term for the Permitted Use specified in Section 7.1.

7.4 Park Code. Agency may, at its election, pursue all regulatory approvals necessary to extend the provisions of the Park Code of the City and County of San Francisco to the Premises, or portions thereof, provided however, that in no event shall such action (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (1) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. City shall cooperate in such action, as long as such cooperation does not result in substantial expense to City that is not otherwise reimbursed by Agency. Notwithstanding the foregoing, if the Port Commission has adopted a Port Park Code extending to portions of the Premises within the Port's jurisdiction (including, without limitation, Bayfront Park), then such portions of the Premises shall be subject to the Port's Park Code and not the City's Park Code..

7.5 (a) In the use and enjoyment of the Premises. Agency shall (i) comply with the RMP for the Premises and other property to the extent applicable to the Premises; (ii) obligate other entities with which it contracts for construction, property maintenance, or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) not interfere with (and ensure that entities with which it contracts do not interfere with)

City's or its successors' or assigns' compliance with the RMP.

(b) In all agreements between the Agency and another entity providing for access to the Premises for the purpose of environmental mitigation, monitoring or remediation ("Environmental Response") by such entity, the Agency will provide the entity with a copy of the RMP prior to execution of such agreement and ensure that such agreements contain covenants by the entity that the entity will (i) comply with the RMP (to the extent the RMP applies to the entity's activities); and (ii) obligate any person or company with which that entity contracts for Environmental Response that may disturb soil or groundwater to comply with the applicable provisions of the RMP.

8. Compliance with Laws and Regulations. Agency, at no cost or expense to City, promptly shall comply with all Laws relating to or affecting the condition, use or occupancy of the Premises in effect either at the time of execution of this Lease or which may hereafter be in effect at any time during the Term, whether or not the same are now contemplated by the parties. Agency further understands and agrees that it is Agency's obligation, at no cost or expense to City, to cause the Premises and Agency's activities and operations conducted thereon, to be in compliance with the Americans with Disabilities Act, 42 USCS sections 12101, et seq.

Agency understands and agrees that City is entering into this Lease in its capacity as a landowner with a proprietary interest in the Premises and not as a regulatory agency of the City with certain police powers. City's legal status as a city shall in no way limit the obligation of Agency (or Owner) to obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Premises, except as otherwise provided in the Mission Bay North Interagency Cooperation Agreement ("North ICA") and the Mission Bay South Interagency Cooperation Agreement ("South ICA") each between the City and Agency and dated November 16, 1998. By entering into this Lease, City is in no way modifying or limiting the obligation of Owner to improve the Premises or Agency to cause the Premises to be used and occupied in accordance with all Laws.

9. Regulatory Approvals. (a) Agency understands that Agency's operations on the Premises, changes in use, or Improvements or Alterations to the Premises may require a Regulatory Approval. Agency or Owner shall be solely responsible for obtaining any such Regulatory Approvals and complying with any conditions attached thereto, except as otherwise provided in the North ICA or South ICA, as applicable. Owner or Agency shall be solely responsible for complying with any and all conditions imposed by regulatory agencies as part of a Regulatory Approval, except as otherwise provided in the North ICA or South ICA, as applicable. Any fines or penalties imposed as a result of the failure of Owner or Agency to comply with the terms and conditions of any Regulatory Approval shall be paid and discharged by Agency, and City shall have no liability, monetary or otherwise, for said fines and penalties, except as otherwise provided in the North ICA or South ICA, as applicable.

Without limiting any other indemnification provisions of this Lease, Agency shall indemnify the City, including the Port, from and against any and all claims, demands, losses, liabilities, damages (including consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses.

Agency expressly acknowledges that any soil testing, excavation or boring shall comply with the RMP. City shall cooperate with Agency or Owner in filing for, processing and obtaining all Regulatory Approvals (other than City approvals), and to the extent required by any regulatory agency issuing a Regulatory Approval (other than City), it will join with Agency or Owner as co-applicant in filing, processing and obtaining all Regulatory Approvals required for the construction and operation of the Park, provided, however, that (i) any reasonable costs incurred by City thereby shall be reimbursed by Agency or Owner to City upon demand, and (ii) any conditions or restrictions of such Regulatory Approval shall be in form and substance acceptable to City in its reasonable discretion, unless the condition or restrictions are specifically contemplated as the responsibility of the City under the North ICA, South ICA, the Plan Documents or the City approvals of the entitlements for the North Plan Area or the South Plan Area. Nothing contained herein shall be deemed to limit or otherwise constrain City's discretion, powers and duties as a regulatory agency of the City with certain police powers except as may be limited by the North ICA, the South ICA, and the Redevelopment Plans.

(b) The Parties hereby acknowledge that pursuant to Section 5.103 of the City's Charter as well as that certain Mission Bay South Memorandum of Understanding (the "South Arts MOU") dated January 4, 1999 and that certain Mission Bay North Memorandum of Understanding (the "North Arts MOU") dated January 4, 1999 by and between the Arts Commission of the City and County of San Francisco (the "Arts Commission") and the Agency, the Arts Commission has design review authority over (i) certain structures (as defined in the North Arts MOU and the South Arts MOU) on land owned (or to be owned) by the City, which will be developed as public streets, public open spaces and community facilities and (ii) works of art to be placed on public open space and other City property. The Parties agree that in complying with all Laws pursuant to Section 8 above and in obtaining any Regulatory Approvals as set forth in this Section 9, the Agency shall comply or require Owner to comply with the procedures and requirements set forth in the North Arts MOU or the South Arts MOU, as applicable.

(c) The Parties further acknowledge that the North OPA and the South OPA each contain an attachment entitled "Design Review and Document Approval Procedure". The Agency agrees that it will comply or cause Owner to comply with the procedures set forth in the Design Review and Document Approval Procedure for the design and construction of any Improvements on the Premises.

10. Security, Maintenance and Repairs.

10.1 Maintenance and Repair Obligations. Upon completion of construction of the Improvements on the applicable portions of the Premises and acceptance by City pursuant to the Plan Documents, Agency shall maintain, at no cost or expense to City, in good order, repair and condition, the applicable portions of the Premises and all improvements thereon, consistent with the requirements of the applicable Mission Bay North or South Financing Plans, except where Owner fails to pay the special taxes levied in the maintenance Community Facilities Districts (collectively, "Maintenance CFDs," and individually, a "Maintenance CFD") to be formed pursuant to the applicable Mission Bay North or South Financing Plans despite the Agency's diligent efforts to collect the same.

10.2 City's Right to Inspect and Repair. (a) In the event that damage or deterioration to the Premises or any portion thereof which is Agency's obligation to maintain results in the same not meeting the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then Agency shall have the independent responsibility for, and shall promptly undertake, maintenance or repair of the Premises and complete the same with due diligence to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder). City may make periodic inspections of the Premises and may advise Agency when maintenance or repair of the Premises is required, but such right of inspection shall not relieve Agency of its independent responsibility to maintain such Premises and Improvements in accordance with the applicable Mission Bay North or South Financing Plan to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

(b) If the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then City may deliver a written notice of default to the Agency regarding such default under this Lease. The notice of default shall state with reasonable specificity the nature of the alleged default, the provisions under which the default is claimed to arise, and the manner in which the failure of performance may be satisfactorily cured. Upon receipt of such notice of default, the Agency shall commence within a reasonable time not to exceed sixty (60) days to cure or remedy such default, and shall thereafter pursue such cure or remedy to completion.

i. Upon delivery of a notice of default, the City and the Agency, together with the Owner, shall promptly meet to discuss the default and the manner in which the Agency can cure or remedy the same so as to satisfy the City's concerns. The City, Agency and Owner shall continue meeting regularly, discussing, investigating and considering alternatives for a period of sixty (60) days from the delivery of the notice of default. If, at the end of the meet and confer period, the City no longer holds the view that the Agency is in default, the City shall issue a written acknowledgment of the Agency's cure or remedy of the matter which was the subject of the notice of default.

ii. If (A) action is not diligently taken or pursued, or the default shall not be cured or remedied within a reasonable time or (B) the Agency refuses to meet and discuss as described above, then in addition to any other remedy available to City, City may make such maintenance or repairs at Agency's expense and Agency shall immediately upon invoice reimburse City therefor to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

iii. The provisions of this Section 10.2(b) shall apply only in the event the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan. Nothing in this Section 10.2(b) shall limit the rights or remedies of the City as set forth under this Lease.

10.3 Security. Agency will provide security for the Premises at such frequencies and to such standards, and consistent with funding available to it under the Maintenance CFD, as may be appropriate for the type of urban open space, plazas, and parks developed pursuant to the Plan Documents. Agency will use its best efforts to prevent loitering and unlawful activity in or on the Premises.

11. Utilities and Services.

11.1 Utilities. Agency shall make arrangements and shall pay all charges for all utilities to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, gas, electrical, water, sewer and telecommunications services. Agency shall pay all charges for said utilities. Agency shall coordinate with the City's Department of Telecommunications and Information Services ("DTIS") regarding any and all telecommunications services to the Premises.

11.2 Services. Agency shall make arrangements and shall pay all charges for all services to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, garbage and trash collection, landscape maintenance service and cleaning service, consistent with the Financing Plans.

12. Improvements and Alterations.

12.1 Construction Requirements. All Improvements to the Premises made by or on behalf of Agency or Owner shall be performed in a manner consistent with the North OPA or South OPA, as applicable, the North ICA or South ICA as applicable, and the applicable Financing Plan. In addition, after completion of the initial construction of the Improvements, Agency shall notify City and Owner in writing of any material Alterations, including Artwork, no later than thirty (30) days prior to commencement of construction or placement in the Premises of such Alterations and shall obtain City and Owner's prior written consent to the change, to the extent contemplated under Section 12.3.

12.2 Improvements Part of Realty. All Alterations or Improvements to the Premises made by or on behalf of Agency shall be owned by City and shall, at the end of the Term hereof, remain on the Premises without compensation to Agency, unless City first waives its right to the Alterations or Improvements in writing. Notwithstanding the foregoing, Agency shall be entitled to remove all personal property that can be removed without substantial injury to the Premises and all Artwork from the Premises at the termination of the Term hereof. Agency shall repair, at its own expense, in good workerlike fashion any damage occasioned by the removal of any such Artwork or personal property.

12.3 Alterations to Improvements. Following construction of the initial Improvements on any portion of the Premises contemplated by the North OPA, South OPA and North or South Redevelopment Plans, as applicable, nonmaterial Alterations (other than ordinary repair and maintenance) shall be made to the applicable portions of the Premises without (i) the written consent of City and, (ii) if the improvements would be inconsistent with the Redevelopment Requirements, would increase costs under the Maintenance CFD or would reduce the availability of Net Available Increment for Infrastructure pursuant to the Financing Plan, the prior written consent of Owner. If Agency constructs any material Alterations to the Premises without City's or Owner's prior written consent to the extent required pursuant to the preceding sentence, then, in addition to any other remedy available to City, City may require Agency to remove, at Agency's expense, any or all such Alterations and to repair, at Agency's expense and in good workerlike fashion, any damage occasioned thereby. Agency shall pay to City all special inspection fees as set forth in the San Francisco Building Code for inspection of work performed without required permits, or any replacement code consistent with North ICA or South ICA adopted for City use.

13. Suitability; Acceptance. Agency acknowledges that neither City nor City's Agents made any representations or warranties concerning the Premises, including without limitation, the environmental, geotechnical or seismological condition thereof. By taking possession of the Premises, Agency shall be deemed to have inspected the Premises and accepted the Premises in an "As-Is" condition and as being suitable for the Permitted Uses as specified herein. The Agency further acknowledges that the rights of the Agency hereunder are subject to the construction and operation of railroad facilities if needed by the City for freight operations serving Piers 48 and 50 and for continued freight access to Pier 80, all as described in Section I.C.6 of the Mission Bay South Infrastructure Plan. Agency shall cooperate with City to allow for the construction and operation of such rail facilities if required under the Mission Bay Infrastructure Plan.

14. Liens. Agency shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Agency or its Agents. In the event that Agency shall not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record, City shall have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by City for such purpose and all reasonable expenses incurred by City in connection therewith shall be payable to City by Agency within thirty (30) days following written demand by City.

15. Hazardous Substances.

15.1 Requirements for Handling. During the construction of the initial Improvements, all Handling of Hazardous Substances shall be governed by all applicable Environmental Laws, the RMP and any applicable Permit to Enter. Following completion of the initial Improvements to the Premises, neither Agency, Owner nor their respective Agents or Invitees, shall Handle in, on or about the Premises any Hazardous Substance without the prior written consent of City, which consent shall not be unreasonably withheld so long as Agency demonstrates to City's reasonable satisfaction that such Hazardous Substance (i) is necessary to Agency's or Owner's improvement, operation or maintenance of the Premises or customarily used in connection with the Permitted Use, and (ii) will be Handled in a manner which strictly complies with all Environmental Laws, and (iii) will not materially increase the risk of fire or other casualty to the Premises. Notwithstanding the foregoing, without City's prior written consent, Agency and Owner may Handle on the Premises routine supplies and materials in such limited amounts as are customarily used for general park cleaning and maintenance purposes or any Hazardous Substances required to be used, in connection with the construction of the initial Improvements to the Premises consistent with the Plan Documents, so long as such Handling is (a) at all times in full compliance with all Environmental Laws and (b) pursuant to approvals obtained from all regulatory agencies having jurisdiction over such Handling of Hazardous Substances.

15.2 Agency Responsibility. Subject to the restrictions set forth in Section 15.1 hereof, Agency shall Handle all Hazardous Substances discovered on the Premises during the Term of this Lease or introduced on the Premises by Agency, its Agents or Invitees, in compliance with all Environmental Laws. Agency shall not be responsible for the safe Handling of Hazardous Substances introduced on the Premises during the Term of this Lease by City or its Agents. Agency shall protect its employees and the general public in accordance with all Environmental Laws. City may from time to time request, and Agency shall be obligated to provide, information reasonably adequate for City to determine that any and all Hazardous Substances are being Handled in a manner which complies with all Environmental Laws. City shall have the right to inspect the Premises for Hazardous Substances at reasonable times, pursuant to Section 23.1 hereof.

15.3 Requirement to Remove. Prior to termination of this Lease, Agency, at its sole cost and expense, shall remove any and all Hazardous Substances introduced in, on, under or about the Premises by Agency, its Agents or Invitees. Further, Agency, at its sole cost and expense, shall remove any Hazardous Substance discovered on the Premises during the Term of

this Lease which is required to be removed pursuant to the RMP or the applicable provisions of the EIRP, provided however, that Agency shall not be obligated to remove any Hazardous Substance introduced onto the Premises during the Term of this Lease by the City or its Agents. Prior to the termination of this Lease, City and Agency shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Substances existing on the Premises which Agency is required to remove.

16. Insurance

16.1 Required Insurance Coverage. Agency, at no cost to the City, shall maintain, or cause to be maintained, throughout the Term of this Lease, the following insurance:

(a) **General Liability Insurance.** Comprehensive or commercial general liability insurance, with limits not less than Five Million Dollars (\$5,000,000.00) each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, independent contractors, broadform property damage, personal injury, products and completed operations, and fire damage and legal liability with limits not less than Two Hundred Fifty Thousand Dollars (\$250,000.00). The Agency reserves the right to satisfy the requirements of this Section 16.1(a) through self-insurance to the extent that Agency elects to use Agency employed staff to maintain the Premises. However, Agency shall require as a condition to any contract with a third party to provide maintenance services to the premises that the contractor will provide the insurance required by this section 16.1(a).

(b) **Workers Compensation Insurance.** Workers Compensation Insurance with employer's liability limit not less than One Million Dollars (\$1,000,000.00) for each accident, on employees eligible for each. In the event Agency is self-insured for the insurance required pursuant to this Section 16.1(b), it shall furnish to City a current Certificate of Permission to Self-Insure signed by the Department of Industrial Relations, Administration of Self-Insurance, Sacramento, California.

(c) **Required by Law.** Such other insurance as required by Law.

16.2 Claims-Made Policies. If any of the insurance required in Section 16.1 is provided under a claims-made form of policy, Agency shall maintain such coverage continuously throughout the Term and without lapse for a period of three years beyond the termination of this Lease, to the effect that should occurrences during the Term give rise to claims made after termination of this Lease, such claims shall be covered by such claims-made policies.

16.3 Annual Aggregate Limits. If any of the insurance required in Section 16.1 is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

16.4 Payment of Premiums. Agency shall pay or cause to be paid at no cost to City the premiums for maintaining all required insurance.

16.5 Waiver of Subrogation Rights. The parties release each other, and their respective authorized representatives, from any claims for damage to the Premises or to the fixtures, personal property, Improvements or Alterations of either City or Agency in or on the Premises which are caused by or result from risks insured against under any property insurance policies carried by the parties and in force at the time of any such damage, to the extent such claims for damage are paid by such policies. Each party shall cause each property insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against the other party in connection with any damage covered by any policy.

16.6 General Insurance Matters.

(a) All liability insurance policies required to be maintained by Agency hereunder shall contain a cross-liability clause, shall name as additional insureds "the City and County of San Francisco and the San Francisco Port Commission and their officers, directors, employees and agents," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Lease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) All insurance policies required to be maintained by Agency hereunder shall be issued by an insurance company or companies reasonably acceptable to City. Agency's compliance with this Section shall in no way relieve or decrease Agency's liability under this Lease. It is understood that the Agency may comply with the provisions of this Section 15.6(b) through its membership in the Bay Cities Joint Powers Insurance Authority or other program of self-insurance or reinsurance reasonably acceptable to City.

(c) All insurance policies required to be maintained by Agency hereunder shall provide for thirty (30) days prior written notice of cancellation or intended non-renewal or reduction in coverage to Agency and City. Such notice shall be given in accordance with the notice provisions of Section 28 of this Lease.

(d) Agency shall deliver to City certificates of insurance in a form satisfactory to City evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Agency shall, upon City's request, promptly furnish City with a complete copy of any insurance policy required hereunder.

(e) Not more often than every year and upon not less than sixty (60) days prior written notice, City may require Agency to increase the insurance limits set forth in Section 16.1 above if, in the reasonable judgment of the City's Risk Manager, it is the

general commercial practice in San Francisco or in other cities or counties around the country to carry insurance for facilities similar to the Premises in amounts substantially greater than those amounts carried by Agency with respect to risks comparable to those associated with the use of the Premises.

(f) Throughout the Term, should Agency's use of the Premises change to the extent that different insurable risks are created, City reserves the right to adjust the insurance requirement hereunder in accordance with any such changes in use.

17. Damage and Destruction.

17.1 Damage and Destruction. If the Premises are damaged by fire or other casualty, then to the extent that insurance proceeds are available for such purpose, Agency shall diligently repair the same and restore the Premises to its condition immediately prior to such casualty, and this Lease shall remain in full force and effect. In the event Agency determines that insurance proceeds are inadequate or unavailable to so repair the Premises to a similar level adequate for use as a public park, plaza or open space Agency shall immediately notify City in writing thereof ("Repair Notice"). On or before the earlier of fifteen (15) days after the date of the Repair Notice or thirty (30) days after the event of casualty, Agency and City shall meet and confer to allocate the responsibility of repair. In the event the parties are unable to agree upon their respective repair obligations within thirty (30) days of the first of such meetings, then either party may elect to terminate this Lease as to the damaged portion of the Premises by written notice specifying the date of such termination. In the event this Lease is terminated by either party in accordance with this Section 17.1, then any unapplied insurance proceeds paid for repair of such casualty shall be payable to City. From and after such termination the City shall not allow the Premises to be utilized for any purpose inconsistent with the applicable Redevelopment Plan or Plan Documents.

17.2 Waiver. City and Agency intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, City and Agency each hereby waives the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California or under any similar Law now or hereafter in effect.

18. Eminent Domain.

18.1 General. If all or part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the date when title or the right to possession vests in the condemnor ("Date of Taking").

18.2 Partial Takings. If (a) a part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, and (b) Agency is reasonably able to continue the operation of the public parks, plazas and/or open space on the Premises or applicable portions thereof, then this Lease shall remain in effect as to said portion of the Premises remaining.

18.3 Temporary Takings. Notwithstanding anything to the contrary contained in this Section, if a taking occurs with respect to all or any part of the Premises for a limited period of time, this Lease shall remain unaffected thereby and Agency shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease to the extent reasonably possible in light of the portion of the Premise not so taken. Agency shall be entitled to receive that portion of any award representing compensation for the use or occupancy of the Premises during the Term up to the total Rent owing by Agency for the period of the taking, and City shall be entitled to receive the balance of any award.

18.4 Award; Waiver. City shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with any taking or conveyance hereunder, and Agency shall have no claim against City or otherwise for the value of any unexpired term of this Lease. Notwithstanding the foregoing, Agency shall have the right to make a claim, and to receive any award specifically made to Agency, including, without limitation, any award made to Agency for the unamortized value of any Alterations or Improvements, its moving expenses and for loss or damage to Agency's trade fixtures, equipment and movable furniture. City and Agency intend that the provisions of this Section govern fully in the event of condemnation and accordingly, City and Agency each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar law now or hereafter in effect. In the event of a partial taking, Agency shall restore the Premises to a unified whole; except that the cost of restoring the Premises to a unified whole shall be payable (1) first, from any Agency award for the value of Improvements and Alterations, and, in the event the cost of restoring the Premises to a unified whole should exceed such amount, then, (2) second from any award made to City. Any excess costs not covered by such awards shall be the sole responsibility of Agency.

19. Indemnity and Exculpation.

19.1 Indemnity. Agency shall indemnify and hold City, and its Agents harmless from, and, if requested, shall defend them against any and all Losses (as defined in Section 9 above) arising directly or indirectly out of: (a) any injury to or death of any person, including employees of Agency, or damage to or destruction of any property occurring in, on or about the Premises, or any part thereof, from any cause whatsoever, or (b) any default by Agency in the observance or performance of any of the terms, covenants or conditions of this Lease, or the use, occupancy or condition of the Premises or the activities therein by Agency, its Agents, or Invitees' activities therein. This indemnity shall be enforceable regardless of the negligence of City, and regardless of whether liability without fault is imposed or sought to be imposed on City. This indemnity shall be enforceable except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this Lease. This indemnity includes all such loss, damage, injury, liability or claims as described above, loss predicated in whole or in part, upon active or passive negligence of City or its Agents. This indemnity shall exclude claims, liability, damage or loss resulting from the gross negligence or willful misconduct of City or its Agents which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, Agency, its Agents or Invitees.

In addition to Agency's obligation to indemnify City, Agency specifically acknowledges

use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.2 City Assignment or Transfer. City may not assign or otherwise transfer the Premises or its rights under the this Lease without the consent of Agency and Owner, which consent shall not be unreasonably withheld, and any proposed assignment or transfer without such consent shall be void. Notwithstanding the foregoing, in no event may City assign or transfer all or any portion of its interest in the Premises or under this Lease, if such assignment or transfer would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.3 Owner Third Party Beneficiary. Owner is hereby made a third party beneficiary of this Lease, and shall be entitled to enforce the parties' obligations hereunder, subject to the notice and cure provisions contained under this Lease. Except for Owner, there are no other third party beneficiaries to this Lease. This Lease shall not be amended or terminated without the consent of Owner, which consent shall not be unreasonably withheld, so long as the amendment or termination would not: (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, other than recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection and attorney's fees. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, except solely for recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection to the extent provided in this Lease and attorneys' fees.

20.4 Exception to Prohibition on Transfers. Notwithstanding the foregoing, for purposes hereof, a prohibited "Transfer" shall not include a Transfer to any successor to Agency, including City, so long as any such transfer would not: (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; or (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, (v) reduce the density or intensity of development contemplated under the applicable Plan Documents or (vi) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.5 Environmental Provisions in Future Leases. (a) Subject to the provisions of this Section 20, the Agency shall include the following statement in all future leases relating to all or any portion of the Premises:

"The land described herein may contain hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction (Covenant and Restriction) dated as of February 3, 2000, and recorded on March 21, 2000, in the Official Records of San Francisco County, California, as Document No. G748551-00, which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists."

(b) Subject to the provisions of this Section 20, in all future subleases, the Agency will provide a copy of the RMP or its relevant provisions prior to execution of such sublease agreements and ensure that such sublease agreements contain covenants that each sublessee (i) will comply with the RMP (to the extent the RMP applies to the sublessee's activities); (ii) will obligate other entities with which the sublessee contracts for construction, property maintenance or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) will refrain from interfering with City's or Agency's compliance with the RMP.

21. Default by Agency.

21.1 Event of Default. The occurrence of any one or more of the following events shall constitute a default by Agency:

(a) Failure by Agency to pay when due any Rent within 30 days after notice has been given by City to Agency;

(b) Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given by City to Agency. If the default cannot reasonably be cured within 30 days, Agency shall not be in default of this Lease if Agency commences to cure the default within such thirty (30) day period and diligently and in good faith continues to cure the default; and/or

Owner in its sole and absolute discretion and without any obligation to do so may cure any default of Agency hereunder. Notices given under this section shall demand that Agency perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless City so elects in the notice. A copy of all notices given under this section shall be given to Owner concurrently with the notice to Agency.

21.2 City's Remedies. Upon default by Agency, City shall, in addition to any other remedies it may have at law or in equity, and without further notice or demand of any kind to Agency or to any other person, have the following remedies:

(a) Agency's Right to Possession Not Terminated. City may continue this Lease in full force and effect after Agency's breach, and so long as City does not terminate Agency's right to possession, City may enforce all of its rights and remedies under this Lease, including the right to collect Rent when due and City may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation an action for damages and/or proceedings to compel specific performance by Agency. No act by City allowed by this subsection shall terminate this Lease unless City notifies Agency that City elects to terminate this Lease. After Agency's default and for as long as City does not terminate Agency's right to possession of the Premises, if Agency obtains City's and Owner's consent, which may be withheld in their sole and absolute discretion, Agency shall have the right to assign or sublet its interest in this Lease, but Agency shall not be released from liability.

(b) Termination of Agency's Right to Possession. City may terminate Agency's right to possession of the Premises at any time. No act by City other than giving notice of termination to Agency shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on City's initiative to protect City's interest under this Lease shall not constitute a termination of Agency's right to possession.

(c) City's Right to Cure Agency's Default. City, at any time after Agency commits a default, may, at City's sole option, cure the default at Agency's cost. If City at any time, by reason of Agency's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities, (including without limitation, attorneys' fees), all such sums, costs, damages or liabilities paid by City shall be due immediately from Agency to City at the time the sum is paid, and if paid by Agency at a later date shall bear interest at the lesser of ten percent (10%) or the maximum non-usurious rate City is permitted by Law to charge from the date such sum is paid by City until City is reimbursed by Agency.

The remedies set forth in this Section 21.2 are not exclusive; they are cumulative and in addition to any and all other rights or remedies of City now or later allowed by Law. Agency's obligations hereunder shall survive any termination of this Lease.

21.3 Damages. If City elects to terminate this Lease under Section 21.2(b), then in addition to any other damages City may be entitled to at law or in equity, City has the rights and remedies to recover from Agency any amounts necessary to compensate City for the detriment proximately caused by Agency's default, or which, in the ordinary course of events, would likely result, including, but not limited to, attorneys' fees and court costs, the costs of carrying the Premises such as repairs, maintenance, operation of Premises in accordance with Permitted Uses (including without limitation, costs of staff for such operation of the Premises), taxes and insurance premiums, utilities, security precautions and the reasonable costs and expenses incurred by City in (i) retaking possession of the Premises; (ii) cleaning and making repairs and alterations to the Premises, and (iii) removing, transporting and storing any of Agency's property left at the Premises (although City shall have no obligation so to do). Efforts by City to mitigate the damages caused by Agency's breach of the Lease do not waive City's rights to recover

damages upon termination.

21.4. Certain Transfers after Termination. Following any termination of this Lease and to the term of the Redevelopment Plans, the City covenants for the benefit of Owner that the City shall take no action with respect to the Premises (including placing jurisdiction over the Premises in any City department) which would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or applicable Plan Documents or (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, (v) reduce the density or intensity of the development contemplated under the applicable Plan Documents, or (vi) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. The obligations of the City hereunder shall survive any termination of the Lease for the term of the Redevelopment Plans.

22. Litigation Expenses; Attorneys' Fees.

22.1 Litigation Expenses. If either party hereto brings an action or proceeding (including any cross-complaint or counterclaim) against the other party by reason of a default, or otherwise arising out of this Lease, the prevailing party in such action or proceeding shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "Prevailing party" within the meaning of this Section 22 shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

22.2 Appeals. Attorneys' fees under this Section 22 shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal to a judgment arising from an action described in Section 22.1.

22.3 City Attorney/Agency General Counsel. For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney and of the Agency General Counsel's Office shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

23. City's Entry on Premises.

23.1 Entry for Inspection. City and its authorized Agents shall have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Agency or Agency's Agents are present on the Premises, for the purpose of inspecting the Premises to determine whether the Premises are in good condition and whether Agency is complying with its obligations under this Lease.

23.2 General Entry. In addition to its rights pursuant to Section 23.1, City and its

authorized Agents shall have the right to enter the Premises at all reasonable times for any reasonable purpose, including, but not limited to the following:

- (a) To perform any services which City has the right or obligation to perform; and/or
- (b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease.

23.3 No Liability. City shall not be liable in any manner, and Agency hereby waives any claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, (Rent paid at Commencement Date), arising out of City's entry onto the Premises as provided in this Section 23, except damage resulting solely from the gross negligence or willful misconduct of City or its authorized representatives.

23.4 Non-Disturbance. City shall use its best efforts to conduct its activities on the Premises as allowed in this Section 23 in a manner which, to the extent reasonably practicable, will cause the least possible inconvenience, annoyance or disturbance to Agency.

24. Surrender and Quitclaim.

24.1 Surrender. Upon termination of this Lease Agency shall surrender to City the Premises and all Improvements thereon in good condition (except for ordinary wear and tear occurring after the last necessary maintenance made by Agency), except for Artwork or personal property which Agency has the right to remove under the provisions of Section 12.2. Agency shall repair any damage to the Premises for which Agency is liable under this Lease.

City may elect to retain or dispose of any personal property which Agency does not remove from the Premises as allowed or required by this Lease by giving at least ten (10) days' prior written notice of such election to Agency. Agency waives all claims against City for any damage to Agency resulting from City's retention or disposition of any personal property or Artwork left on the Premises after the expiration of the Term hereof. Agency shall be liable to City for all costs incurred by City for storing, removing or disposing of any Artwork or Agency's personal property.

If Agency fails to surrender the Premises as required by this Section 24.1, Agency shall hold City harmless from all damages resulting from Agency's failure to surrender the Premises, including, but not limited to, claims made by a succeeding tenant resulting from Agency's failure to surrender the Premises. No act or conduct of City, shall constitute an acceptance of the surrender of the Premises by Agency before the expiration of the Term. Only a notice from City to Agency shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

24.2 Quitclaim. Upon termination of this Lease, the Premises shall automatically, and without further act or conveyance on the part of Agency or City, become the property of City, free and clear of all liens (including without limitation, any liens created pursuant to the CFD)

and leasehold mortgages (which are expressly prohibited) and without payment therefor by City and shall be surrendered to City upon such date. Upon or at any time after the date of termination of this Lease, if requested by City, Agency shall promptly deliver to City, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by City to evidence or otherwise effect the termination of Agency's leasehold estate hereunder and to effect such transfer or vesting of title to the Premises or any Improvements or Alterations that City agrees are to remain part of the Premises pursuant to the provisions of Section 12.3 above.

25. Holding Over. Any holding over after the expiration of the Term with the consent of City shall be deemed a month-to-month tenancy and shall be upon each and every one of the terms, conditions and covenants of this Lease, except that, at City's election, the Rent shall be adjusted to the then current market rate as reasonably determined by City. Either party may cancel said month-to-month tenancy upon thirty (30) days' written notice to the other party.

26. Mineral Reservation. The State of California, pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying those portions of the Premises located within the jurisdiction of the Port. In accordance with the provisions of said Statutes, City and Agency shall and hereby do grant to the State of California the right to explore, drill for and extract said subsurface minerals, including oil and gas deposits, from the Mineral Reservation area located by the California Grid System as more particularly described as follows: [to be inserted] [only for leases within Port's jurisdiction].

27. City Requirements.

27.1 Non-Discrimination. Agency shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B.2 and 12C.2 of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by this reference and made a part hereof as though fully set forth herein. Agency agrees to comply with the terms of the North OPA, South OPA, Redevelopment Plans, and Plan Documents.

27.2 Program in Diversity/Economic Development Program. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including without limitation, the First Source Hiring and Prevailing Wage requirements, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

27.3 MacBride Principles-Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride

name of a company producing selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

27.9 Prevailing Wages. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including the requirement to pay prevailing wages, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

**Acting by
And through
Its Board of
Supervisors:**

**Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880**

Copy to:

**City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place,
Room 234**

San Francisco, CA 94102-4682
Attention: Donnell W. Choy
Deputy City Attorney
FAX NO: (415) 554-4755
Telephone No: (415) 554-4736

Acting by
And through
Its Port:

Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400

Copy to:

City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Neil Sekhri
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0484

Address for Agency:

San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director

Copy to:

Agency General Counsel's Office
San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454

Address for Owner:

Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105

Atten: Asset Management

Copy to: Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105
Atten: General Counsel

And to: Catellus Operating Limited Partnership
255 Chandel Street
San Francisco, CA 94107
Atten: Mission Bay Development Office

29 Time is of the Essence. Time is of the essence as to each and every provision of this Lease.

30. Signs. Except as permitted under the North OPA and the South OPA, respectively, and the Master Signage and Streetscape Plans, Agency shall not have the right to place, construct or maintain any sign, advertisement, awning, banner or other exterior decoration on the Premises without City's prior written consent.

31. Miscellaneous Provisions.

31.1 California Law. This Lease shall be construed and interpreted in accordance with the Laws of the State of California and City's Charter.

31.2 Entire Agreement. This Lease and its Exhibits contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Lease. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to such subject matter are superseded in total by this Lease. No prior drafts of this Lease or changes from those drafts to the executed version of this Lease shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Lease.

31.3 Amendments. No amendment of this Lease or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto and approved in writing by Owner.

31.4 Severability. Except as is otherwise specifically provided for in this Lease, invalidation of any provision of this Lease, or of its application to any person, by judgment or court order, shall not affect any other provision of this Lease or its application to any other person or circumstance, and the remaining portions of this Lease shall continue in full force and effect, unless enforcement of this Lease as invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purposes of this Lease.

31.5 No Party Drafter; Captions. The provisions of this Lease shall be construed as a whole according to their common meaning and not strictly for or against any party in order to achieve the objectives and purposes of the parties. Any caption preceding the text of any section,

paragraph or subsection or in the table of contents is included only for convenience of reference and shall be disregarded in the construction and interpretation of this Lease.

31.6 Singular, Plural, Gender. Whenever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, and vice versa.

31.7 Successors. The terms, covenants, agreements and conditions set forth in this Lease shall bind and inure to the benefit of City and Agency and, except as otherwise provided herein, their personal representatives and successors and assigns.

31.8 Counterparts. For convenience, the signatures of the parties to this Lease may be executed and acknowledged on separate pages which, when attached to this Lease, shall constitute this as one complete Lease. This Lease may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same Lease.

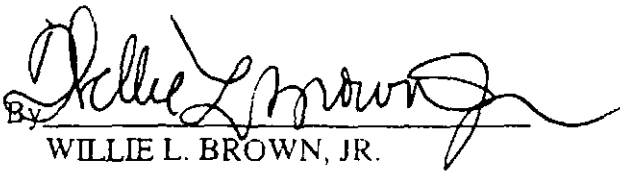
31.9 Waiver. No failure by City to insist upon the strict performance of any obligation of Agency under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of City's rights to demand strict compliance with such term, covenant or condition. City's consent to or approval of any act by Agency requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act by Agency. Any waiver by City of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

31.10 Further Assurances. The parties hereto agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to carry out the mutual intent of the parties as expressed in this Lease.

IN WITNESS WHEREOF, CITY and Agency execute this Lease at San Francisco, California, as of the date set forth above.

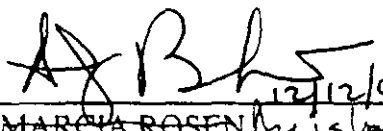
CITY:

CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

By 
WILLIE L. BROWN, JR.
Mayor

AGENCY:

Redevelopment Agency a
of the City and County of
San Francisco

By  12/12/03
MARCIA ROSEN
Deputy Executive Director

By

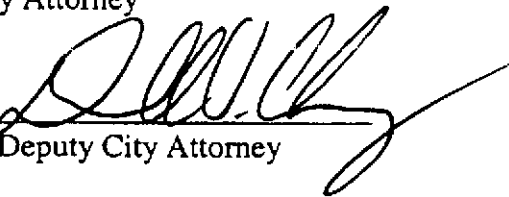


Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By



Deputy City Attorney

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By



Deputy General Counsel

SAN FRANCISCO PORT COMMISSION

By 
DOUGLAS F. WONG *For Douglas Wong*
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By 
Deputy City Attorney

CONSENT

The undersigned, on behalf of Owner, in executing this Lease for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Catellus Lease; provided, however, that nothing continued herein shall be deemed to impose any obligations or liabilities upon Owner under the Lease, hereby consents to the foregoing Ground Lease.

CATELLUS OPERATING LIMITED PARTNERSHIP,
a Delaware limited partnership (as successor by merger
to Catellus Development Corporation)

By: Catellus Development Corporation,
a Delaware corporation (formerly known as Catellus SubCo, Inc.),
Its: Sole general partner,

By: Catellus Urban Development Corporation, a Delaware
corporation, its authorized agent

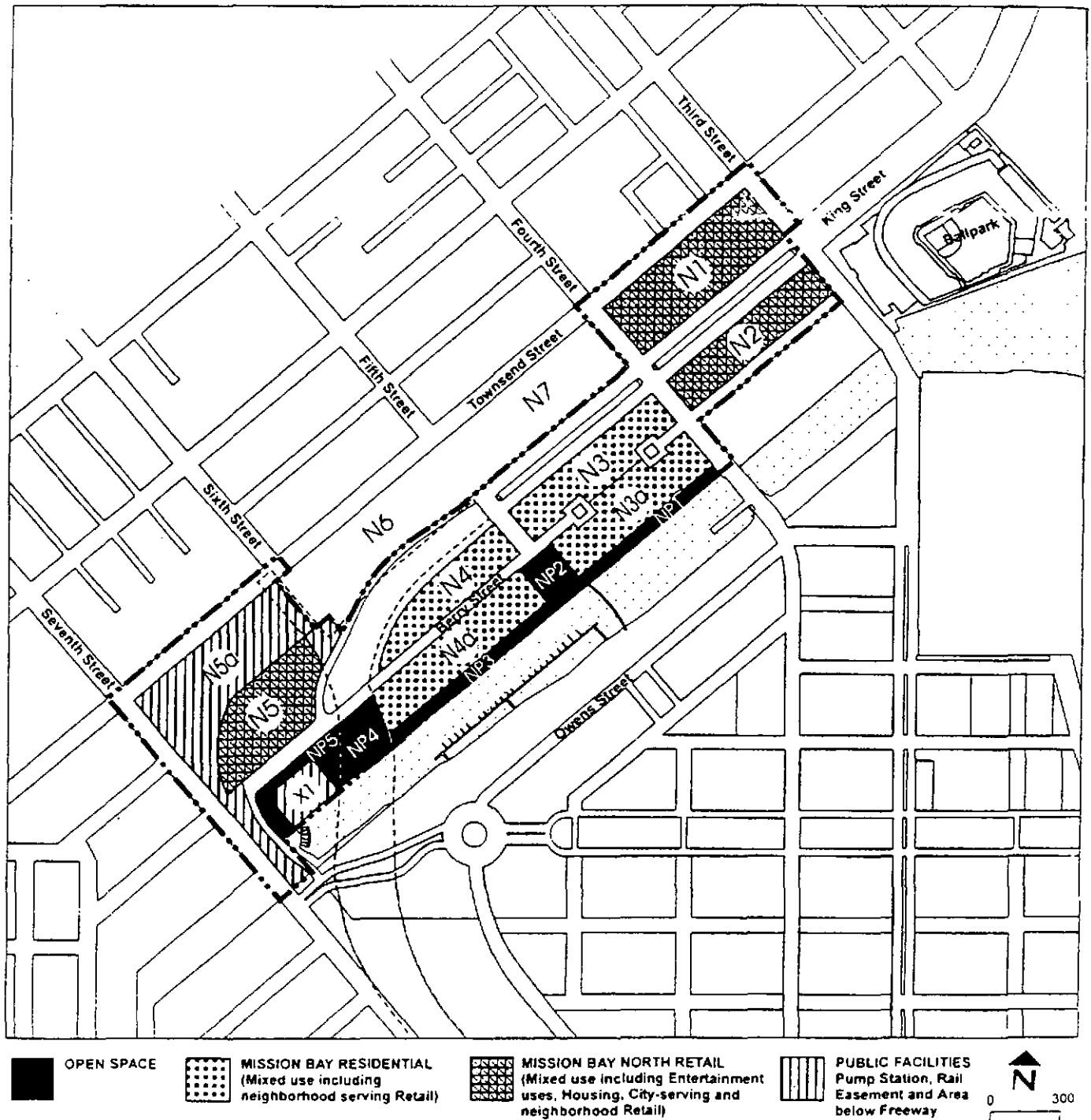
By: 
Name: ERIC HAYS
Title: SP. VICE PRESIDENT

EXHIBIT "A"

Open Space Development Parcels

EXHIBIT A

Page 1 of 2



MISSION BAY LAND USE PLAN - NORTH

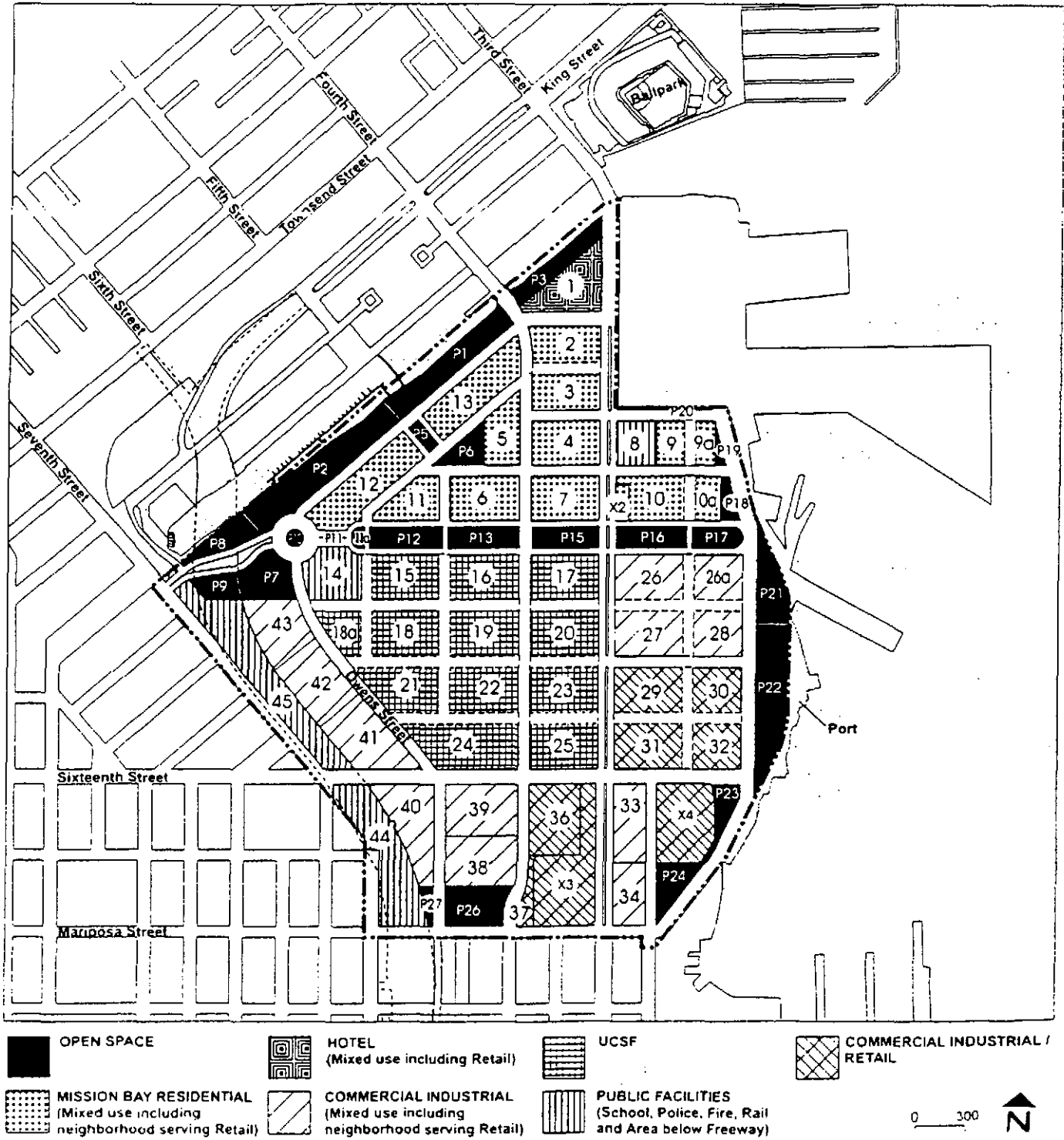
JOHNSON FIRM PARTNERS

SAN FRANCISCO, CALIFORNIA

CATELUS DEVELOPMENT CORPORATION

EXHIBIT A

Page 2 of 2



MISSION BAY LAND USE PLAN - SOUTH

JOHNSON FAIN PARTNERS

SAN FRANCISCO, CALIFORNIA

CATELLUS DEVELOPMENT CORPORATION

EXHIBIT "B-1"

(P1 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

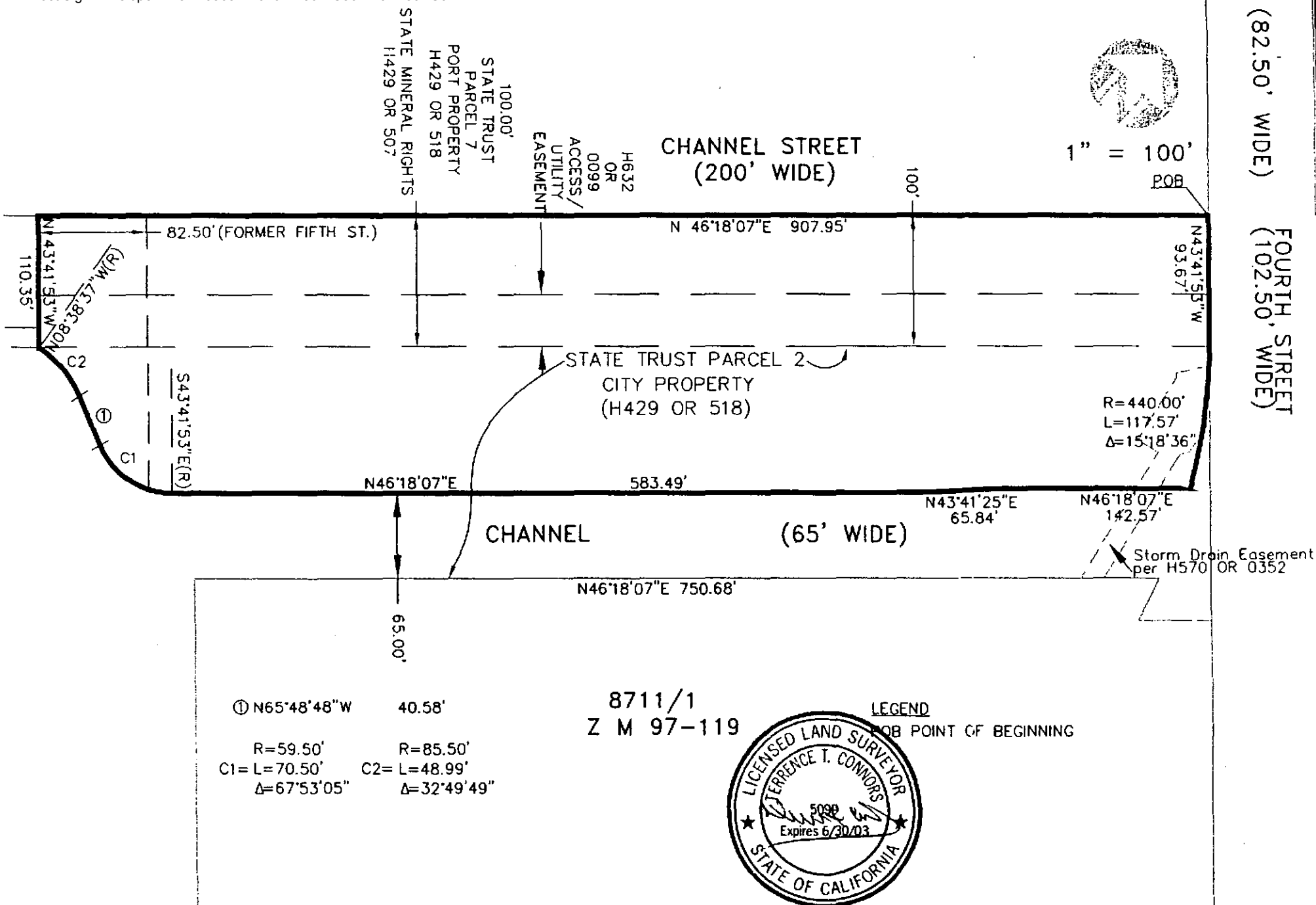
BEGINNING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet; thence, SOUTH 46°18'07" WEST, 142.57 feet; thence, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, of that line called for in said State Trust Parcel 2, cited in the above said Patent, as course, NORTH 46°18'07" EAST, 750.68 feet; thence, along said parallel line, SOUTH 46°18'07" WEST, 583.49 feet, to a tangent curve concave northerly, having a radius of 59.50 feet, southwesterly and westerly, along said curve, through a central angle of 67°53'05", an arc length of 70.50 feet; thence, NORTH 65°48'48" WEST, 40.58 feet, to a tangent curve, concave southerly, having a radius of 85.50 feet; thence, westerly, along said curve, through a central angle of 32°49'49", an arc length of 48.99 feet, to the southwesterly line of former Fifth Street, as shown on the above said "Map of Mission Bay"; thence, along said southwesterly line, NORTH 43°41'53" WEST, 110.35 feet, to the said southeasterly line of Channel Street (200' wide); thence, along said southeasterly line, NORTH 46°18'07" EAST, 907.95 feet to the **POINT OF BEGINNING**.

Containing 187,735 sq. ft., more or less.

Prepared by:


 Terrence T. Connors
 LS 5099, expires 6/30/07





te: 12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1, PLAT TO ACCOMPANY
LEGAL DESCRIPTION
PARK P-1

sheet 1
of
sheet 1

Exhibit "B-1.1"

Excepting there from the following reservations, the terms and uses of which are individually described as follows:

Joint Trench Easement – The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of the City and County of San Francisco, its permittees, grantees, licensees, employees, and contractors and various utility providers, including but not limited to, the City and County of San Francisco Bureau of Lighting, Heat & Power, Department of Telecommunications & Information Services and Public Utilities Commission; Pacific Gas & Electric; Pacific Bell; RCN; AT&T; etc., in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit B-1.1) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telegraphic, telecommunication and telephone lines, street lighting facilities, and facilities

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

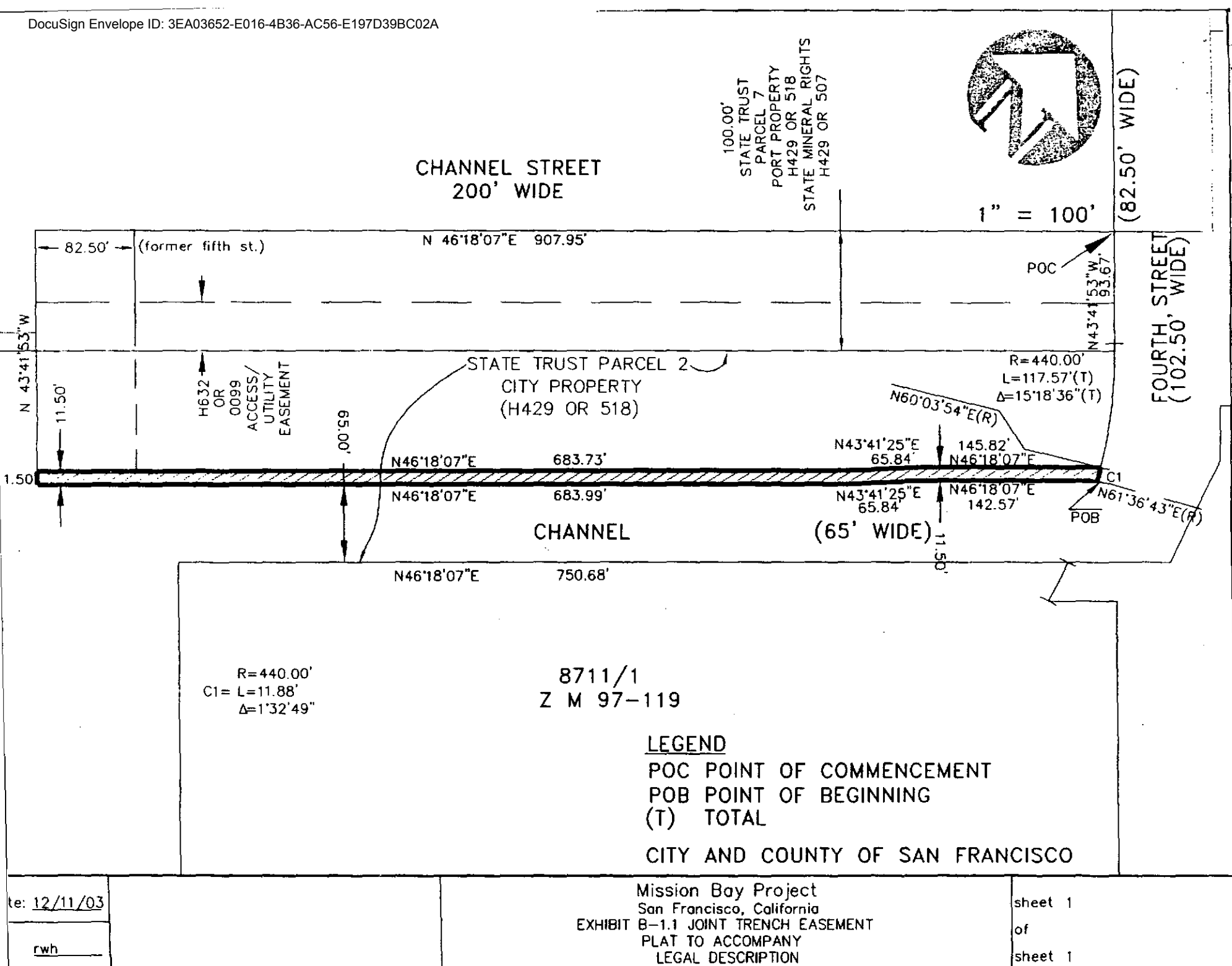
Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

COMMENCING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly, along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet, to the **TRUE POINT OF BEGINNING**, said point being the beginning of a non-tangent line, and to which point a radial line bears, NORTH 61° 36' 43" EAST; thence, along said non-tangent line, being also the southeasterly line of this description, SOUTH 46°18'07" WEST, 142.57 feet; thence, continuing along said southeasterly line, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, to the line cited in the above said Patent as course: NORTH 46°18'07"

EAST, 750.68 feet; thence, along said parallel line, SOUTH $46^{\circ}18'07''$ WEST, 683.99 feet, to the southwesterly line of former Fifth Street (82.50 feet wide), as said street is shown on the above said map (Z Maps 97-119); thence, along said southwesterly line of former Fifth Street, NORTH $43^{\circ}41'53''$ WEST, 11.50 feet, to a line parallel with and distant northwesterly 11.50 feet, measured at right angles to the southeasterly line of this description herein described; thence, along said parallel line the following courses and distances: NORTH $46^{\circ}18'07''$ EAST, 683.73 feet; NORTH $43^{\circ}41'25''$ EAST, 65.84 feet; and, NORTH $46^{\circ}18'07''$ EAST, 145.82 feet, to a point on the herein described tangent curve having a radius of 440.00 feet, and to which point a radial line bears NORTH $60^{\circ}03'54''$ EAST; thence southerly along said curve, through a central angle of $1^{\circ}32'49''$, an arc length of 11.88 feet, to the **POINT OF BEGINNING**.

Containing 10,280 Sq. Ft., more or less.



Pacific Gas & Electric Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of Pacific Gas & Electric in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telecommunication and facilities for the transportation or distribution of electric energy.

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

Legal Description

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

An area, 20 feet in width (measured at right angles), centered around the future Pacific Gas & Electric facilities extending northerly from the northwesterly right-of-way line of future Channel to an electrical transformer, lighting and irrigation service panel pad and westerly from the electrical transformer, lighting and irrigation service pad to an electrical service panel near the concession building, as generally shown northwesterly of station 22+00 on the improvement plans prepared for Catellus Development Corporation (as Permittee) by RBF Consulting, entitled "Mission Creek Park, Block P1 - 100% Submittal" approved by the Director, San Francisco Department of Public Works, on January 18, 2002, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-1.2 to be used for reference only.

EL. ELECTRICAL

100.00'
STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

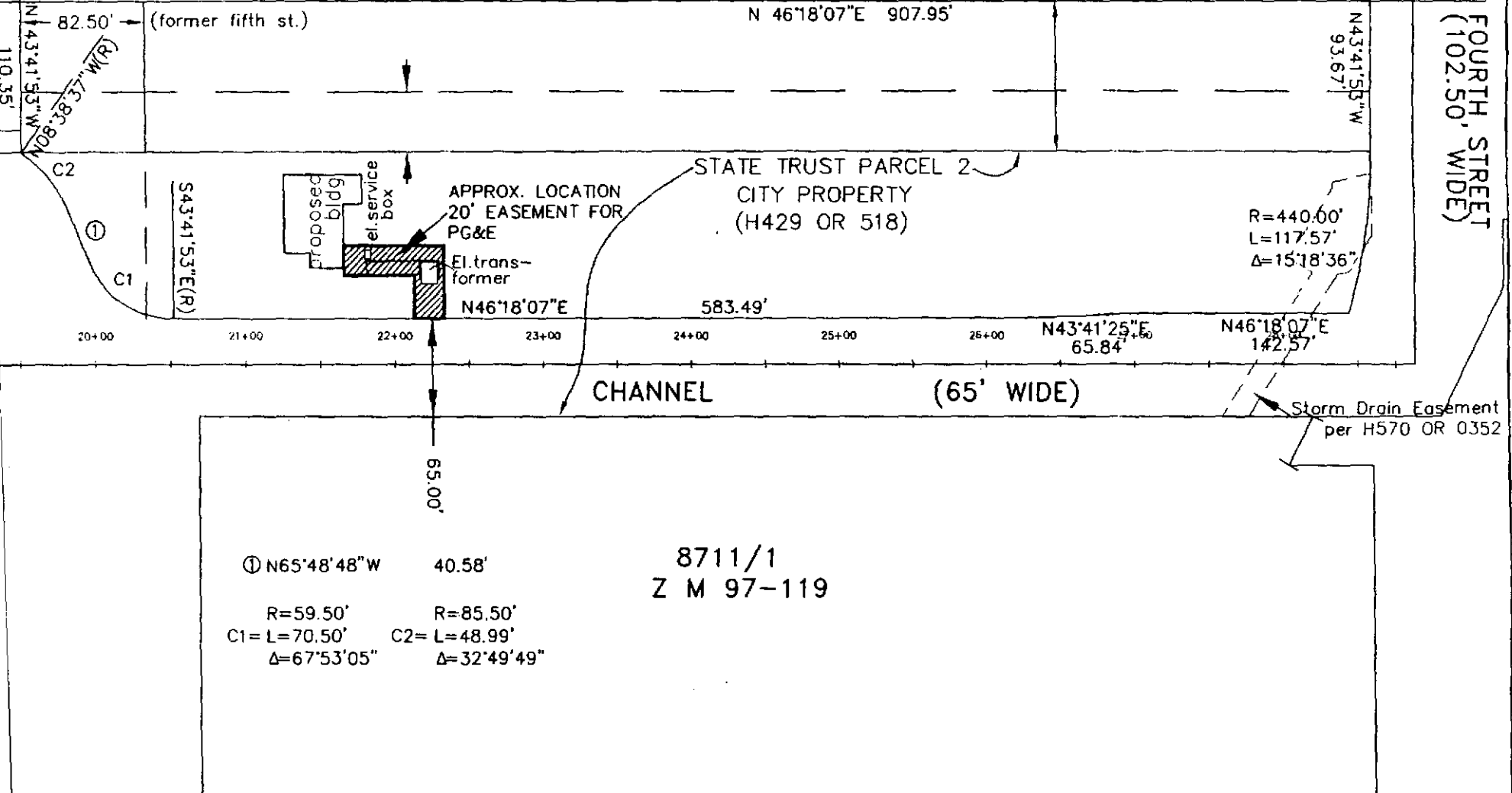


1" = 100'

(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)CHANNEL STREET
200' WIDE

H632
OR
0099
ACCESS/
UTILITY
EASEMENT



12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.2 PACIFIC GAS & ELECTRIC EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facility and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Sewer Facility as it now exists. The sidelines of said easement shall be lengthened or shortened so as to extend from the from the southwesterly right-of-way line of Fourth Street (102.5 feet wide) to the southwesterly property line of the above described SFRA Lease Parcel (Exhibit A) and create a continuous easement throughout. Said easement is shown in its approximate location on the attached plat map B-1.3 to be used for reference only.



1" = 100'

(82.50' WIDE)

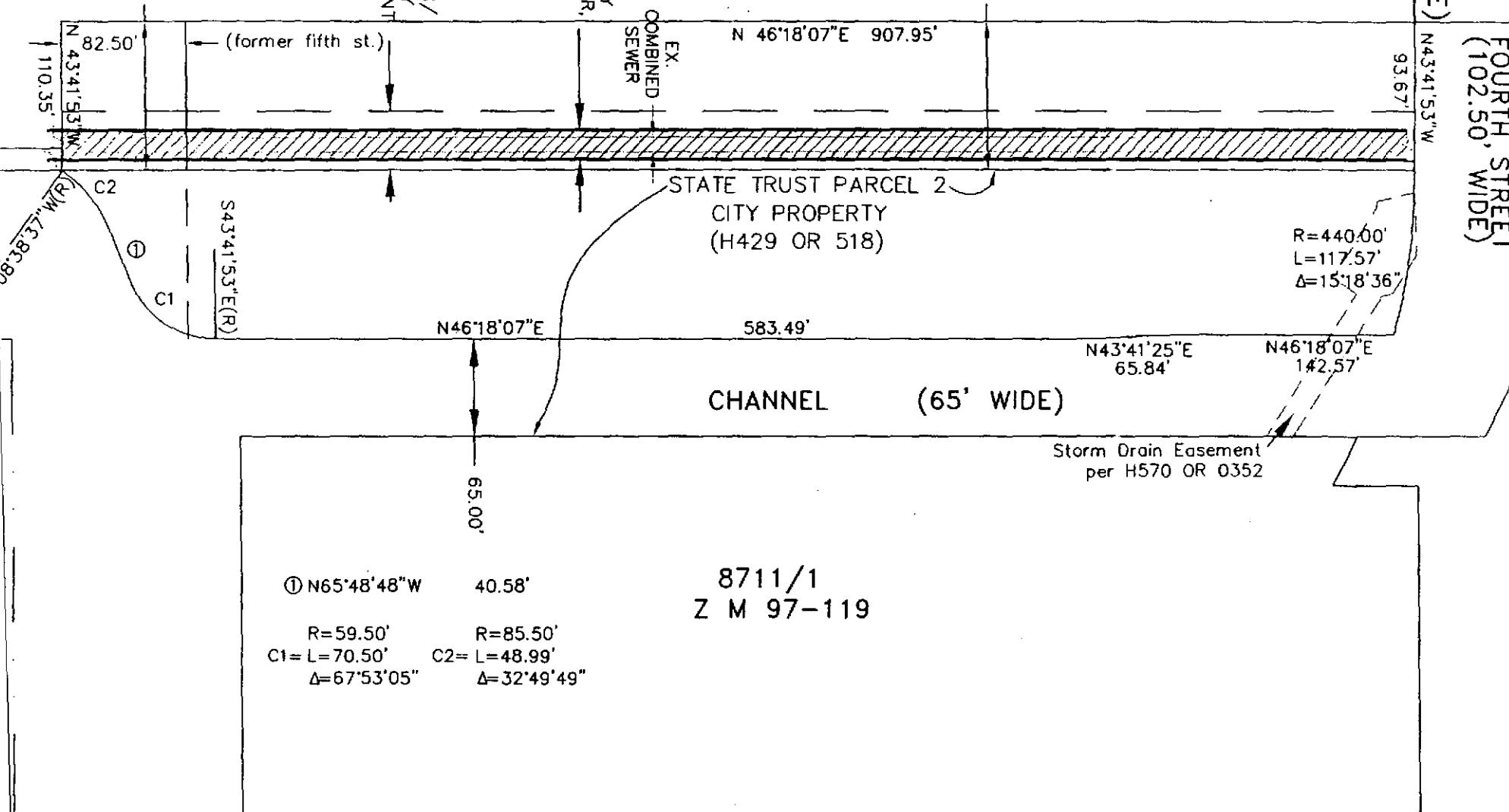
FOURTH STREET
(102.50' WIDE)

100.00'
STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

20.00'
PROPOSED CITY
COMBINED SEWER,
ACCESS, AND
MAINTENANCE
EASEMENT

H632
OR
0099
ACCESS/
UTILITY
EASEMENT

100.00'
H429 OR 507
STATE MINERAL RIGHTS



e: 12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.3 COMBINED SEWER EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco Department of Transportation, MUNI, and its permittees, grantees, licensees, employees, and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2 and 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet, measured at right angles, on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MUNI, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MUNI, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director.

The sidelines of said easement shall be lengthened or shortened so as to extend from the southeasterly line of Channel Street (200 feet wide) southerly to the northwesterly right-of-way line of future Channel (65 feet wide) and create continuous easements throughout. Said easements are shown in their approximate locations on the attached plat map B-1.4 to be used for reference only.

Carmen's Parking Easement – The non-exclusive right to be held by the City and County of San Francisco, and the City acting by and through the San Francisco Port Commission in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, cleaning, operation, policing, repair and maintenance of facilities, appurtenances, signs, and other fixtures for vehicular parking for the benefit of the adjacent tenant leased area now known as Carmen's Restaurant. Said easement is shown in their approximate locations on the attached plat map B-1.5 to be used for reference only.

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999, in Reel H429 Image 518, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Commencing at the intersection of the southeasterly line of Channel Street (200.00 feet wide) and the southwesterly line of Fourth Street (102.50 feet wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 76.30 feet, to the beginning of a non-tangent curve concave to the southeast, having a radius of 15.00 feet, to which a radial line bears, NORTH 52°53'32" WEST, said point being the **POINT OF BEGINNING** of this description; thence, southerly along said non-tangent curve, through a central angle of 83° 55'08", an arc length of 21.97 feet; thence, SOUTH 39°54'25" EAST, 40.96 feet, to the beginning of a non-tangent curve concave to the northeast, having a radius of 15.00 feet, to which a radial line bears, SOUTH 38°53'28" WEST; thence, easterly along said non-tangent curve, through a central angle of 72°21'49", an arc length of 18.94 feet, to a point on a non-tangent curve concave to the southwest, having a radius of 440.00 feet, to which point a radial line bears, NORTH 53° 04'57" EAST; thence, northwesterly along said non-tangent curve, through a central angle 6°46'50", an arc length of 52.07 feet; thence, NORTH 43°41'53" WEST, 17.37 feet to the **POINT OF BEGINNING**.

Containing 820 Sq. Feet., more or less.

CHANNEL STREET

(200' wide)



1" = 50'

LEGEND

POC: POINT OF COMMENCEMENT

POB: POINT OF BEGINNING

$R=15.00'$ $N43^{\circ}41'53''W$
 $C1=L=21.97'$ $L1=17.37'$
 $\Delta=83^{\circ}55'08''$
 $R=15.00'$
 $C2=L=18.94'$
 $\Delta=72^{\circ}21'49''$

STATE TRUST PARCEL 2

$R=440.00'$
 $C3=L=52.07'$
 $\Delta=6^{\circ}46'50''$

FUTURE CHANNEL

8711/1
Z MAPS 97-119

POC

$N43^{\circ}41'53''W$
 $N52^{\circ}53'32''W (R)$

C1

L1

POB

$N39^{\circ}54'25''W$
 $40.96'$

C3

$N38^{\circ}53'28''E (R)$
 $C2$

$N53^{\circ}04'57''E (R)$
 $R=440.00'$
 $L=65.50'$
 $\Delta=8^{\circ}31'46''$

MONUMENT LINE

$N43^{\circ}41'53''W$
 $76.30'$
 $93.67' (T)$

28.50'

FOURTH STREET
(102.50' WIDE)

8714/2

STATE TRUST
PARCEL 2

8715/2
H712 OR 294

8715/3
H712 OR 294

ite: 12/11/03

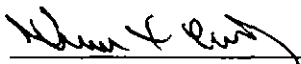
rwh

Mission Bay Project
 San Francisco, California
 EXHIBIT B-1.5 PARKING LOT
 PLAT TO ACCOMPANY
 LEGAL DESCRIPTION

sheet 1
 of
 sheet 1

As to each of the reservations set forth in this Exhibit B-1.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Descriptions and Plat Maps were prepared by me or under my direction.

By: 
Terrence T. Connors
LS 5099, expires 6/30/07



SUBLICENSE CONSENT AND AGREEMENT

This Sublicense Consent and Agreement ("Agreement") dated as of September 2 2008, is made by and among FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL"), the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("Agency"), and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, SAN FRANCISCO, a California public corporation ("The Regents").

RECITALS:

A. FOCIL and Agency are parties to that certain Agreement (Temporary Agency Use – Mission Creek Park NP4 and NP5, Permanent Park Improvements) effective June 2, 2008 (the "Master License"), pertaining to Agency's use of park improvements prior to acceptance for dedication on certain real property located in the City and County of San Francisco, State of California, and more particularly described in Exhibit A attached to the Master License (the "NP4 and NP5 Area"). Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Master License.

B. Agency desires to sublicense the Kayak Building Improvements on a portion of the NP4 and NP5 Area, described in the Master License as the NP4 Deferred Kayak Building Area (the "Sublicensed Premises") to The Regents in accordance with that certain San Francisco Redevelopment Agency License and Agreement to Conduct Non-Profit Activities (the "Sublicense") dated September 2, 2008, between Agency and The Regents.

C. FOCIL is willing to agree to consent to the Sublicense upon the terms and conditions of this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing and the covenants, promises and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. FOCIL's Consent. FOCIL hereby consents to the Sublicense granting to The Regents the right to use the Kayak Building Improvements on the Sublicensed Premises. The Sublicense shall not be amended or modified without the prior written consent of FOCIL. This consent is granted only upon the terms and conditions of this Agreement, and Agency and The Regents hereby agree to each of such terms and conditions.

2. Master License.

2.1 The Sublicense shall be subject and subordinate at all times to the Master License and to all of its provisions, covenants and conditions. FOCIL shall not be bound or estopped in any way by any of the terms, covenants, or conditions of the Sublicense, nor shall any provision of the Sublicense or this Agreement operate as an express or implied consent to or approval or ratification by FOCIL of any specific provisions of the Sublicense or as an

endorsement, representation or warranty of any kind by FOCIL regarding the NP4 and NP5 Area, the Kayak Building Improvements, the Master License or any other matter, all of which are expressly disclaimed. In case of any conflict between the provisions of the Master License and the provisions of the Sublicense, as between FOCIL and Agency, the provisions of the Master License shall prevail unaffected by the Sublicense. Notwithstanding anything to the contrary in the Sublicense, the use granted to the Agency under the Master License is non-exclusive, and therefore, The Regents use of the Sublicensed Premises shall be on a non-exclusive basis.

2.2 Nothing contained in the Sublicense shall alter, amend, expand or reduce any of the obligations of FOCIL under the Master License, nor impose on FOCIL any obligation to provide notice to, or obtain consent from, The Regents with respect to amendments, defaults, waivers or any other matters pertaining to the Master License or the NP4 and NP5 Area. Agency consents that FOCIL may elect, but shall not be obligated, to communicate directly with The Regents regarding the use and occupancy of the Sublicensed Premises or the Sublicense.

3. Relationship with FOCIL. Nothing contained in this Agreement or the Sublicense shall be deemed to create privity of contract between FOCIL and The Regents, to make The Regents a third party beneficiary of the provisions of the Master License, or to create or permit any direct right of action by The Regents against FOCIL for breach of the covenant of quiet enjoyment, for any other covenant of FOCIL under the Master License or otherwise. FOCIL shall have no obligations nor incur any liability to The Regents with respect to any warranties of any nature, whether pursuant to the Master License or the Sublicense, or otherwise, including, without limitation, any warranties respecting use, compliance with zoning, construction, or fitness of the Sublicensed Premises. Agency shall indemnify, protect, defend and hold FOCIL harmless from any liability of, or claim against, FOCIL by The Regents in connection with the Sublicense or the use and occupancy of The Regents pursuant thereto, to the same extent that Agency is required to indemnify FOCIL and others pursuant to Section 5 of the Master License. Agency agrees that the use by The Regents, or any of their agents, employees and invitees shall in no event delay or result in additional conditions to the acceptance for dedication of the Kayak Building Improvements.

4. Commencement and Termination of Master License. Notwithstanding anything to the contrary in the Sublicense, The Regents shall not have the right to use the Kayak Building Improvements on the NP4 Deferred Kayak Building Area, unless and until the term for such improvements and area commences under the Master License. Notwithstanding Section 3 of the Sublicense, the expiration or earlier termination of the Master License for any reason shall constitute, without further act or deed, a termination of the Sublicense. The Agency shall be responsible for giving any and all termination notices to The Regents, as the Agency and The Regents may agree to in the Sublicense. The Regents acknowledge that the term of the Master License expires on the earlier of (i) City's acceptance for dedication of the Kayak Building Improvements, or (ii) November 30, 2008, unless extended by the written approval of FOCIL and the Agency. The Regents are aware that Agency has the right to terminate the Master License at any time as to all or any portion of the Park Improvements by written notice to FOCIL, and that FOCIL has the right to terminate the Master License upon default by Agency upon sixty-five (65) days written notice, all as more specifically set forth in the Master License.

5. Non-Release of Agency; Agency Liability. Nothing contained in this Agreement or the Sublicense shall be deemed to alter the primary liability of Agency to perform all of Agency's obligations under the Master License, nor release Agency from its obligations under the Master License, nor waive any rights that FOCIL may now have or later acquire against Agency under the Master License. The acceptance of any sums by FOCIL from The Regents or any third party shall not be deemed a waiver by FOCIL of Agency's obligations. The performance of any obligation required of Agency under the Master License by The Regents or any third party shall not be deemed a waiver by FOCIL of Agency's duty to perform such obligations under the Master License. Any act or omission by The Regents or any of its agents, employees or invitees in, on, or about the NP4 and NP5 Area, or any act by The Regents or any of its agents, employees or invitees pursuant to the terms and conditions of the Sublicense, shall constitute the act or omission of Agency under the Master License. Any sums that may be payable under the Master License by virtue of any act or omission of The Regents shall be the obligation of Agency to pay and discharge in accordance with the terms of the Master License. Any damage to the Kayak Building Improvements caused by The Regents or any of its agents, employees or invitees shall be the responsibility of Agency to repair and maintain under Section 4 of the Master License, and FOCIL shall be indemnified by Agency therefor under Section 5 of the Master License. In the event of expiration or termination of the Master License for reasons other than the City's acceptance for dedication of the Kayak Building Improvements, Agency shall be obligated to have The Regents vacate the Sublicensed Premises prior to the expiration or termination date, and Agency shall cause all equipment, fixtures, personal property and alterations to be removed and shall cause the restoration of any damage due to the occupancy or use by The Regents or its agents, employees and invitees, and Agency shall surrender the Kayak Building Improvements to FOCIL in the same condition as existed at the time of commencement of the Master License as to the NP4 Deferred Kayak Building Area.

6. Further Transfers. The consent of FOCIL is limited solely to the Sublicense. Any assignment of the Master License or the sublicense or further transfer shall be subject to FOCIL's consent as provided in the Master License.

7. Insurance. Prior to The Regents taking occupancy of the Sublicensed Premises, Agency shall deliver to FOCIL certificates of insurance evidencing The Regents' compliance with Section 8 of the Sublicense and indicating that FOCIL and Catellus Urban Construction, Inc. ("CUCI") are named as additional insureds on such policies or equivalent self-insurance program. The Regents agree to indemnify, protect, defend and hold harmless FOCIL and CUCI for any and all claims, costs, expenses, causes of action, judgments, damages and liabilities covered by the insurance or self-insurance for injury to persons or damage to property required to be carried by The Regents pursuant to Section 8 of the Sublicense.

8. Miscellaneous.

8.1 Should any party to this Agreement bring an action against another party, by reason of or alleging the failure of the other party to comply with any or all of its obligations hereunder, whether for declaratory or other relief, then the party which prevails in such action shall be entitled to its reasonable attorneys' fees and expenses related to such action, in addition to all other recovery or relief. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by

the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. Attorneys' fees shall include, without limitation, fees incurred in discovery, contempt proceedings, and bankruptcy litigation. The non-prevailing party shall also pay the attorneys' fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. The covenant in the preceding sentence is separate and several and shall survive the merger of this provision into any judgment on this Agreement.

8.2 Captions to the paragraphs and sections in this Agreement are included for convenience only and do not modify any of the terms of this Agreement. No one party shall be deemed to have drafted this Agreement and it shall be construed according to its fair meaning and not against any party. All indemnity obligations under this Agreement and any other provision hereof the survival of which is necessary to its enforcement shall survive the expiration or earlier termination of the Sublicense and this Agreement.

8.3 FOCIL's consent hereunder shall not be effective until FOCIL has received a copy of this Agreement, fully executed with original signatures of Agency and The Regents thereon.

8.4 If any provision of this Agreement shall be invalid, unenforceable or ineffective for any reason whatsoever, all other provisions hereof shall be and remain in effect.

8.5 This Agreement is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by all parties. This Agreement shall be construed and enforced in accordance with the laws of the State of California. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set below each signature, to be effective upon the date first written above.

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA,
a California public corporation

By:

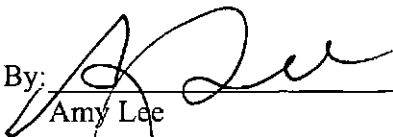


Name:

Title:

Date:

REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO,
a public body, corporate and politic

By: 
Amy Lee
Deputy Executive Director
Finance and Administration
Date: _____

FOCIL-MB, LLC,
a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
a Delaware limited liability company
Its: Manager

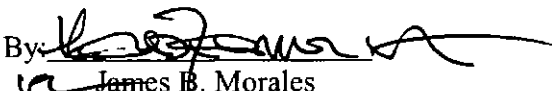
By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: 
James B. Morales
Agency General Counsel

REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO,
a public body, corporate and politic

By: _____
Amy Lee
Deputy Director, Finance and Administration

Date: _____

FOCIL-MB, LLC,
a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
a Delaware limited liability company
Its: Manager

By: _____

Name: _____
Richard B. Fried
Managing Member

Title: _____

Date: _____
10/10/08

APPROVED AS TO FORM:

By: _____
James B. Morales
Agency General Counsel

CONSENT TO SUBLICENSE AND AGREEMENT

This Consent to Sublicense and Agreement (this "**Consent**") is made as of September 2 2008, by and among the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (the "**City**"), the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body, corporate and politic (the "**Agency**") and **THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, SAN FRANCISCO**, a public corporation ("**Sublicensee**").

RECITALS

A. The Agency, as tenant, and the City and, with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the "**Port**"), the City acting by and through the Port, as landlord, entered into that certain ground lease, dated November 16, 2001 (the "**Ground Lease**"), of certain premises in the City and County of San Francisco, more particularly described in the Ground Lease (the "**Premises**").

B. The Agency desires to grant Sublicensee a license to use a portion of the Premises located at 401 Berry Street, San Francisco, California, generally depicted on the attached Exhibit A (the "**Sublicensed Premises**"), as more particularly described in that certain San Francisco Redevelopment Agency License and Agreement to Conduct Non-Profit Activities, dated on or about the date hereof, between the Agency and Sublicensee (the "**Sublicense**").

C. The Agency has requested that the City consent to the Sublicense, and the City has agreed to consent to the Sublicense, on the terms and conditions set forth herein.

D. NOW, THEREFORE, in consideration of the foregoing, and in consideration of the mutual agreements and covenants hereinafter set forth, the City, the Agency and Sublicensee agree as follows:

1. GROUND LEASE.

The Sublicense is subject and subordinate to the Ground Lease. The Agency and Sublicensee represent and warrant to the City that (a) the copy of the Sublicense attached hereto as Exhibit B is true, complete and correct and constitutes the entire agreement between the parties, and (b) the Sublicense shall not be modified, terminated or amended without prior thirty (30) days written notice to the City. Sublicensee's use of the Sublicensed Premises must be consistent with all of the terms, covenants, conditions, provisions and agreements of the Ground Lease applicable to the Sublicensed Premises and to Sublicensee's activities on or about the Premises. Neither the Sublicense nor this Consent shall be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Ground Lease. This Consent shall not be construed as approval or consent to any provision(s) of the Sublicense, including, without limitation, any provisions which may conflict with or be interpreted to restrict the City's rights or the Agency's obligations under the Ground Lease, or to expand upon the Agency's rights or the City's obligations under the Ground Lease, and the City shall not be bound or estopped in any way by the provisions of the Sublicense. This Consent shall not create in Sublicensee, as a third party beneficiary or otherwise, any rights except as specifically set forth herein. All communications with the City with respect to the Sublicensed Premises will be recognized by the City only if made by the Agency, not by Sublicensee.

2. AUTOMATIC TERMINATION.

The term of the Sublicense shall automatically terminate upon the termination of the Ground Lease or the termination of the Ground Lease with respect to the Sublicensed Premises for any reason whatsoever, including, without limitation, the termination or partial termination of the Ground Lease prior to the expiration of the term thereof pursuant to a written agreement between the City and the Agency.

3. NO RELEASE OR WAIVER.

Neither the Sublicense nor this Consent shall: (a) release or discharge the Agency from any liability, whether past, present or future, under the Ground Lease; or (b) be construed to waive any breach by the Agency of the Ground Lease.

4. NO FURTHER CONSENT.

This Consent shall not be construed as a consent by the City to any further subletting, licensing or sublicensing either by the Agency or by the Sublicensee, or to any assignment by the Agency of the Ground Lease, or assignment by the Sublicensee of the Sublicense, it being clearly understood that this Consent shall not in any way be construed to relieve the Agency or Sublicensee of the obligation to obtain the City's prior written consent to any further subletting, licensing, sublicensing or assignment.

5. ASSIGNMENT OF RENT.

In the event of the Agency's default under the Ground Lease, the rent or license fee due from the Sublicensee under the Sublicense, if any, shall be deemed assigned to the City, and the City shall have the right, at any time, upon such default at the City's option, to give notice of such assignment to the Sublicensee, whereupon Sublicensee shall pay all rent and license fees thereafter becoming due and payable directly to the City. The City shall credit the Agency with any sums so received by the City, but the acceptance of any payment from the Sublicensee shall not release the Agency from any liability under the Ground Lease. Any payment from the Sublicensee directly to the City, or any other action by Sublicensee, regardless of the circumstances or reasons therefor, shall in no manner whatsoever be deemed an attornment by the Sublicensee to the City in the absence of a specific written agreement signed by the City to such effect.

6. [INTENTIONALLY OMITTED].

7. NO REPRESENTATION OR WARRANTY BY CITY.

Nothing contained herein shall operate as a representation or warranty by the City of any nature whatsoever.

8. INDEMNITY AND EXCULPATION.

The Sublicensee agrees and acknowledges to be bound by the indemnification and exculpation provisions of the Sublicense. The obligation of Sublicensee under this Section 8 shall survive any termination or expiration of the Sublicense or the Ground Lease. Agency and Sublicensee acknowledge and agree that the provisions of Sections 7.2 and 7.3 of the Sublicense shall not be amended or waived without the prior written consent of the City.

9. WAIVER OF RELOCATION.

In no event shall the City be responsible for the payment of any relocation costs in the event of termination, for any reason, of the Sublicense or Ground Lease. Sublicensee hereby waives any and all rights, benefits or privileges of the California Relocation Assistance Law, California Government Code §7260 et seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. §4601 et seq. or under any similar law, statute or ordinance now or hereafter in effect.

10. INSURANCE.

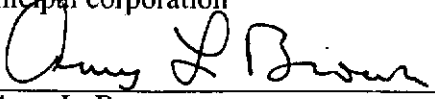
Sublicensee shall, at Sublicensee's expense, secure and keep in force during the term of the Sublicense such insurance as required of Sublicensee under Section Eight of the Sublicense. A certificate evidencing such insurance shall be delivered to the City promptly after the date hereof. Agency and Sublicensee acknowledge and agree that the provisions of Section Eight of the Sublicense shall not be amended or waived without the prior written consent of the City.

The execution of this Consent by the Agency and Sublicensee shall evidence the Agency's and Sublicensee's joint and several confirmation of the foregoing conditions, and of their agreement to be bound thereby and shall constitute Sublicensee's acknowledgement that it has received a copy of the Ground Lease.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

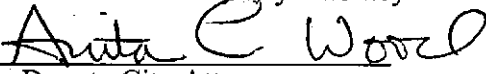
By:


Amy L. Brown
Director of Property

Approved as to form:

DENNIS J. HERRERA, City Attorney

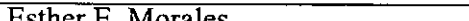
By:


Anita E. Wood
Deputy City Attorney

SUBLICENSEE:

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

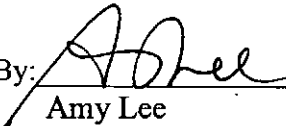
By:


Esther E. Morales
Director, Real Estate Services

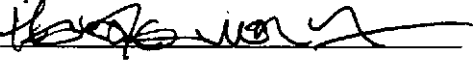
AGENCY:

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, corporate and politic

By:


Amy Lee
Deputy Executive Director
Finance & Administration

Approved as to Form


James B. Morales
Agency General Counsel

The execution of this Consent by the Agency and Sublicensee shall evidence the Agency's and Sublicensee's joint and several confirmation of the foregoing conditions, and of their agreement to be bound thereby and shall constitute Sublicensee's acknowledgement that it has received a copy of the Ground Lease.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Amy L. Brown
Director of Property

Approved as to form:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

SUBLICENSEE:

THE REGENTS OF THE UNIVERSITY OF
CALIFORNIA

By: Esther E. Morales
Esther E. Morales
Director, Real Estate Services

AGENCY:

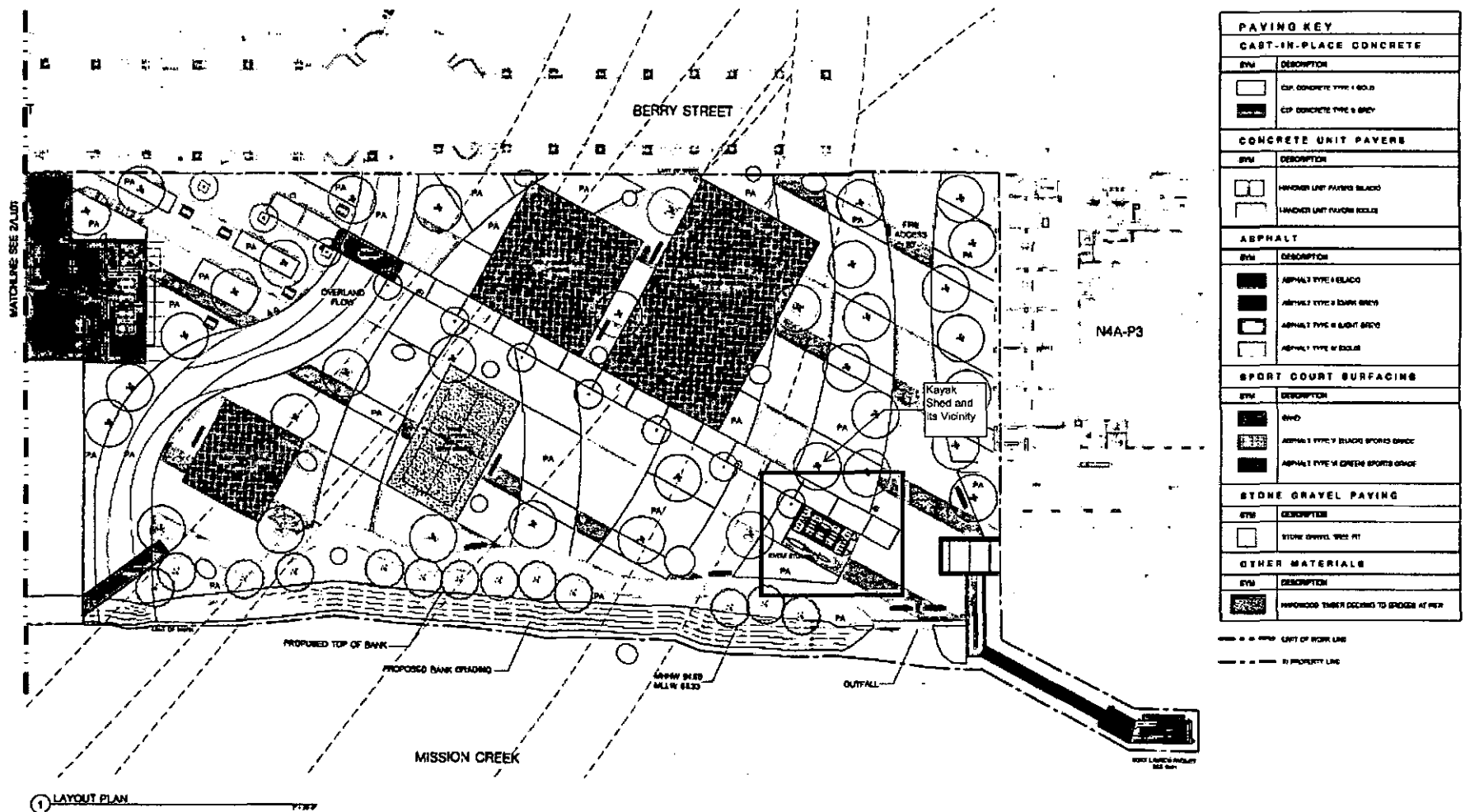
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, corporate and politic

By: Amy Lee
Amy Lee
Deputy Executive Director
Finance & Administration

Approved as to Form

James B. Morales
James B. Morales
Agency General Counsel

EXHIBIT A
DEPICTION OF SUBLICENSED PREMISES



MFLA
MISSISSIPPI FLOOD LOSS
ADJUSTMENT
AND
REPAIR
ACT

MISSION CREEK PARK: PARCELS NP4 & NP5 SCHEMATIC DESIGN

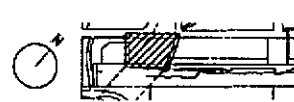
100% ARCHITECTURAL
6.1.20

GENERAL NOTES:
1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.
2. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

GENERAL NOTES:
3. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.
4. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

GENERAL NOTES:
5. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.
6. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.

GENERAL NOTES:
7. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.
8. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE MISSISSIPPI DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES.



SHEET NO.
L104

EXHIBIT B
COPY OF SUBLICENSE

SAN FRANCISCO REDEVELOPMENT AGENCY

LICENSE AND AGREEMENT TO CONDUCT NON-PROFIT ACTIVITIES

This License and Agreement To Conduct Non-Profit Activities ("Agreement") is dated September 2, 2008 by and between the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("Agency") and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, SAN FRANCISCO, a public corporation ("The Regents"). From time to time herein the Agency and The Regents will be referred to together as the "Parties".

RECITALS

- A. On September 17, 1998, by Resolution No. 185-98 and Resolution No. 190-98, the Redevelopment Agency of the City and County of San Francisco ("Agency") approved proposed Redevelopment Plans for the Mission Bay North and South Redevelopment Project Areas ("North Plan" and "South Plan," respectively). On the same date, the Agency adopted related resolutions, including Resolution Nos. 188-98 and 193-98 authorizing execution of Owner Participation Agreements ("OPAs") and related documents between Catellus Development Corporation ("Catellus") and the Agency. The Plan and its implementing documents, as defined in the Plan, constitute the "Plan Documents" for each Project.
- B. Under the Plan Documents, Catellus is constructing 41 acres of public open space on parcels of land in the North Plan and South Plan areas owned by the City and County of San Francisco and the Port of San Francisco ("Open Space Parcels"). The parcels are leased to the Agency at the time of improvement. 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 Open Space Parcels until 2043.
- C. Catellus, the original master developer of the Mission Bay North and South Redevelopment Project Areas, 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. FOCIL-MB has assumed all of Catellus's obligations under the Agency's Owner Participation Agreement for Mission Bay North and Mission Bay 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 (the "City"). FOCIL-MB will be bound by all terms of the OPAs and related agreements, including the requirements of the affordable housing program, equal opportunity program, and design review process.
- D. The Agency, as tenant, and the City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the

jurisdiction of the San Francisco Port Commission (the "Port"), the City and County of San Francisco, acting by and through the Port (collectively, the "City"), as landlord, entered into that certain ground lease dated November 16, 2001 (the "Ground Lease"), which is attached in Attachment D, to implement the improvement of public open space, parks and plazas, more commonly referred to as the Mission Bay Open Space System (the "Park System"), located in the areas known as the Mission Bay North Redevelopment Project Area ("MBN Project Area") and Mission Bay South Redevelopment Project ("MBS Project Area"). The subject property includes a kayak storage building located in the open space area more commonly referred to as "NP4" as shown in Attachment A.

E. The Agency has entered into a License Agreement with FOCIL, with an effective date of June 4, 2008, ("NP4/NP5 License Agreement"), to allow for the temporary public use of certain open space areas, including NP4, until that time which the City officially accepts NP4 and the property becomes subject to the Ground Lease. The NP4/NP5 License Agreement terminates the earlier of November 30, 2008 or City's acceptance for dedication (by action of the Board of Supervisors) of the area subject to the NP4/NP5 License Agreement. An extension beyond November 30, 2008 can only occur with the written approval of FOCIL and the Agency.

F. The San Francisco campus of the University of California ("UCSF") through its non-profit Outdoor Programs, a sub-unit of Campus Life Services' Fitness & Recreation unit, has more than 33 years of experience leading outdoor adventures in the Bay Area. Outdoor Programs serves over a thousand kayaking participants annually through its two sites, approximately 40% of which come from the general public. Participation in UCSF's kayaking program is anticipated to increase significantly with the completion of Mission Creek Park in the MBS and MBN Project Areas.

G. UCSF's Outdoor Programs, a non-profit enterprise, does targeted outreach to low-income and underserved youth, offering free kayak lessons and trips to these populations.

H. The Regents wish to license the kayak storage building in NP4 in order to have a convenient storage location in Mission Creek Park and to run the UCSF kayaking programs from the calm waters of Mission Creek, allowing them to serve youth groups and beginner paddlers that are difficult to serve from the choppy waters at Pier 54, its present, temporary location.

I. A dedicated kayaking program in Mission Creek Park will also help support the Blue Greenway, a planned 13-mile path providing walking, biking and water access along San Francisco's southern waterfront.

J. Subject to the consent of the City and Catellus (or its successor) as necessary under the Ground Lease, the Agency is willing to grant a non-exclusive license to The Regents, through its non-profit Outdoor Programs sub-unit, to use the kayak building, at no cost, to provide appropriate kayaking storage facilities and to authorize The Regents to

conduct certain non-profit activities in the Park System in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, the Agency and The Regents agree as follows:

SECTION ONE PREMISES AND USE

1.1 Pursuant to, and in furtherance of the Ground Lease, the Agency hereby grants an non-exclusive license to use the kayak storage building (the "Premises"), located at the street address of 401 Berry Street in the southeast portion of Parcel NP4, as shown on the site map in Attachment A, "Premises Location Map", in the MBN Project Area, San Francisco, California, to The Regents, as of the Effective Date defined below in accordance with the terms and conditions set forth herein. However, the Agency shall not grant a license to any other party to use the Premises if it will unreasonably impede the use of the Premises by The Regents or its invitees in a manner consistent with this Agreement. The Premises includes both the interior and exterior of the kayak storage building at 401 Berry Street. The Agency authorizes The Regents to use the Premises for kayak and small boat storage and launching in support of the nonprofit programs set forth in Attachment B, "UCSF Kayak Program Summary" attached hereto. Any additional purpose is not allowed except with express written consent of the Agency.

1.2 The Regents shall also have the non-exclusive right to use the walkways, restrooms, the boat launch located in NP4 and NP5, as shown in Attachment A, "Premises Location Map", and other public areas of the Park System, in accordance with the rules and regulations set forth in Attachment C, "Rules and Regulations for the Mission Bay Open Space System", attached hereto and excluding the standard prohibition on boat launching, as set by the Agency, which may be amended from time to time.

1.3 The Regents shall, at a minimum, offer 13 kayaking programs, free-of-charge, to underserved youth per year for the duration of this agreement as defined in Section 3 below. As a goal, The Regents shall serve at least 200 youths each year of the term of this Agreement. The Regents shall target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth populations are served by the kayaking program. If, after three years, 200 youths are not being served per year, The Regents shall submit a detailed outreach and marketing program to the Agency for review and approval that demonstrates how The Regents will reach the goal of 200 youths in year four of this Agreement.

1.4 The Regents shall comply with all applicable ordinances, laws, statutes and regulations relating to The Regent's use of the Premises. The Regents further agrees that Agency staff (and its authorized representatives) shall have the right to establish reasonable procedures for other use of the Premises. The Regents shall conduct its

activities permitted herein in a manner that respects and does not conflict with the activities conducted by the Agency or its authorized representatives, contractors, or other licensees, invitees authorized to use or work on the Premises or in the Park System.

1.5 The Regents agrees not to use the logo of the Agency, the City and County of San Francisco or the Park System, which, in the judgment of the Agency, reasonably could lead the public to believe that The Regents activities are operated by or on behalf of the Agency or the City and County of San Francisco.

1.6 Notwithstanding its obligations set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto, The Regents may display its logo or the name of the program to be conducted on the Premises in certain locations on the Kayak Storage Shed, such as the door or side of the building; provided, however, that the location and design of any such display shall be subject to reasonable approval in advance in writing by the Agency or its authorized representative.

1.7 Except with the prior written consent of the Agency, The Regents use of the Premises shall be restricted to the approved uses set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto. IT IS PROHIBITED FOR ANY PERSON TO RESIDE ON THE PREMISES. The sale of any items or the conduct of for-profit business activities on the Premises is not permitted without the written approval of the Agency and shall be subject to additional terms and conditions deemed appropriate by the Agency.

1.8 Upon termination of this Agreement, The Regents shall remove all personal property and equipment belonging to The Regents or in The Regents care, custody or control, and shall surrender the Premises to the Agency in as good condition as existed on the Effective Date of this Agreement, reasonable wear and tear excepted, together with all keys to the Premises. If any personal property or equipment remains on the Premises after termination of this Agreement, it shall be considered abandoned, and shall be subject, at the Agency's option, to all local, state and federal ordinances, regulations and laws pertaining to disposition of abandoned personal property, equipment and vessels. Furthermore, any costs incurred by the Agency as a result of any abandoned items on the Premises shall be deducted from The Regents' Security Deposit.

1.9 It is understood by both parties that this Agreement is entered into consistent with the terms set forth in the Ground Lease, and that The Regents' use of the Premises shall at all times be consistent with the terms set forth in the Ground Lease as attached as Attachment D, as applicable.

SECTION TWO CHARGES

2.1 The Regents shall pay no fees to the Agency so long as it complies with all the terms and conditions of this Agreement, including but not limited to, the insurance requirements set forth in Section 8.

2.2 The Regents shall pay the Agency a security deposit in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) ("Security Deposit") on or before the Effective Date of this Agreement. Said Security Deposit shall secure the performance of The Regents' obligations hereunder. Any balance remaining upon termination, except for any earned interest, of the Agreement shall be returned to The Regents in a reasonable amount of time after the termination of the Agreement.

SECTION THREE TERM

3.1 The Agency shall deliver to The Regents, pursuant to the provisions governing notices at Section 10.1 below, a notice of impending Premises availability, which notice shall be delivered to The Regents no less than thirty (30) days prior to the date the Premises will be ready for occupancy ("Notice of Availability"). The Notice of Availability will set forth a specific date for scheduled occupancy of the Premises, and that date shall serve as the effective date ("Effective Date"). The Regents shall be responsible for the Premises, pursuant to this Agreement, as of the Effective Date. Additionally, The Regents must begin operating its kayaking programs (as set forth in Attachment B hereto) at the Premises no more than thirty (30) days after the Effective Date set forth in the Notice of Availability.

3.2 The term of this Agreement shall be from September 2, 2008 until the date of the termination of the NP4/NP5 License Agreement ("Initial Term"). However, if the Premises are incorporated into the Ground Lease on or before the expiration of the Initial Term, then the parties agree that the term of this Agreement shall automatically be extended to September 1, 2013 (the "Term"), provided further that during the Term either party may terminate this Agreement without cause for any reason whatsoever, upon providing sixty (60) days prior written notice to the other.

3.3 At the sole discretion of the Agency's Executive Director, the Agreement may be extended for an additional three years ("Extension Option"); provided that The Regents is not in default of the Agreement and have conducted the nonprofit activities set forth in Attachment B, "UCSF Kayak Program Summary", attached hereto, to the satisfaction of the Executive Director. Additionally, the Executive Director may in his or her sole discretion, agree to further extend the Agreement for two (2) additional three-year terms.

3.4 The effectiveness of this Agreement is conditioned upon the substantial completion of the Premises as mutually agreed upon by Agency and The Regents.

Notwithstanding the provisions of Section 3.1 above, in the event the Premises is not substantially completed and the Notice of Availability is not issued within 18 months of the date of this Agreement, for whatever reason, the Agency shall not be obligated to provide the Premises to The Regents and this Agreement shall be considered null and void.

SECTION FOUR MAINTENANCE, REPAIR AND UTILITIES SERVICES

4.1 The Regents accepts the Premises as of the Effective Date as being in good order and repair, unless otherwise indicated in writing. The Regents shall maintain the Premises (as delineated in Section 1.1) and every part thereof in good condition and repair, including all fixtures, furniture and furnishings therein. The area immediately outside of the Premises, as well as the interior, shall be kept clean and free of debris and unused equipment and material. The Regents shall surrender the Premises, at termination, in as good condition as received, normal wear and tear excepted. The Regents shall protect the Premises from fire hazard and eliminate all safety and health hazards that arise during the term of this Agreement as reasonably determined by The Regents. The Agency or its authorized representative, upon prior and reasonable notice, may inspect the Premises to ensure performance of the maintenance set forth herein.

4.2 The Regents shall be responsible, at its sole costs and expense, for obtaining and providing any and all other services (including housekeeping, garbage collection, etc.), other than water and electricity, which may be required in connection with The Regents' use or occupancy of the Premises.

4.3 As the Premises contains connections to domestic water and electricity, which are not separately metered, The Regents will be responsible for paying a pro-rata share of the cost for water and electricity, as provided by the Agency. The pro-rata share will be determined by the staff of the Agency and The Regents, using a mutually agreed upon method, once the Premises and parks sharing the water and electrical connections are operational. Alternatively, the Agency may choose at its discretion and cost to install separate water and electrical sub-meters for the Premises. In this event, The Regents will reimburse the Agency for the exact amount of water and electricity used by the Premises.

4.4 The Regents shall not make any alterations, improvements, repairs except in the event of an emergency, or install any fixtures of any kind or character in or on the Premises without prior written consent of the Agency. The Agency, in its sole and absolute discretion may approve or deny in writing, the location and method of attachment of all interior and exterior improvements, including the installation of furniture, fixtures and equipment ("FF&E") which The Regents plans to install within or on the Premises. Upon termination of this Agreement, any damage caused to the Premises as the result of the removal of all pre-approved FF&E belonging to The Regents shall be repaired in a manner approved by the Agency. If The Regents fails to repair any damages caused by The Regents' removal of any FF&E in a manner satisfactory to the

Agency, then the Agency may cause said repairs to be made, at UCSF's sole expense. The Agency, in its sole discretion, may deduct the repair costs from The Regents' Security Deposit. If the amount of the repairs exceeds The Regents' Security Deposit, the Agency may pursue all lawful means to obtain any outstanding repair costs from The Regents.

4.5 The Regents shall comply with the Risk Management Plan (RMP), to the extent the RMP applies to The Regents' activities. The Regents shall also obligate other entities with which The Regents contracts for construction, property maintenance or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP and The Regents shall refrain from interfering with City's or Agency's compliance with the RMP.

SECTION FIVE ASSIGNMENT

5.1 The Regents shall not assign this Agreement or any of the privileges granted by it without prior written consent of the City, FOCIL-MB and the Agency, which approval may be granted or withheld at their sole discretion.

SECTION SIX ENVIRONMENTAL PROVISION

6.1 The Premises described herein may contain hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction (Covenant and Restriction) dated as of February 3, 2000, and recorded on March 21, 2000, in the Official Records of San Francisco County, California, as Document No. G748551-00, which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists.

SECTION SEVEN INDEMNIFICATION AND EXCULPATION

7.1 Agency's Obligation. Agency shall indemnify, defend, and hold harmless The Regents, its officers, agents and employees, from and against any claims, damages, costs, expenses, or liabilities (collectively "Claims") arising out of or in any way connected with this Agreement including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons but only in proportion to and to the extent that such Claims arise from the negligent or intentional acts or omissions of Agency, its officers, agents, partners or employees.

7.2 The Regents' Obligation. The Regents' Obligation. The Regents agrees and acknowledges to be bound by the defense, indemnification and exculpation provisions of

the Ground Lease, all with the same force and effect as is required by the Agency under the Ground Lease, provided however that the The Regents' duty to indemnify only shall not extend to Losses to the extent resulting from the negligence or willful misconduct of the Agency and/or City. The obligation of The Regents under this Section 7.2 shall survive any termination or expiration of the Agreement or the Ground Lease.

7.3 The Regents shall indemnify, protect, defend and hold harmless the Agency, the City, the Port, their employees, officers and agents, and FOCIL-MB from any claims resulting from any release or threatened release of a hazardous substance to the extent that such release or threatened release is directly created or aggravated by the specific activities undertaken by The Regents pursuant to this agreement or by any breach of or failure to duly perform or observe any term, covenant or agreement in this agreement; provided however, that The Regents shall have no liability, nor any obligation to defend, hold harmless or indemnify any person for any such claim resulting from (a) the discovery or disclosure of any pre-existing condition, (b) the movement of soil or groundwater of other activity undertaken by The Regents, which concerns hazardous substances existing prior to The Regents' entry upon the Premises so long as such movement or activity is consistent with the RMP, or (c) the negligence or willful or other actionable misconduct by the Agency, the City, the Port or their agents or FOCIL-MB. Agency shall provide a copy of the RMP with the Notice of Availability described in Section 3.1 above.

SECTION EIGHT LIABILITY INSURANCE

8.1 The Regents shall procure and maintain insurance coverage or an equivalent program of self-insurance for the duration of the Agreement against claims for injuries to persons or damage to property which may arise from or in connection with the Agreement by The Regents, its agents, representatives, employees or subcontractors. Such insurance must comply with the following requirements:

- (a) Minimum Scope of Insurance. Coverage shall be at least as broad as:
 - (1) Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
 - (2) Insurance Services Office form number CA 00 01 covering Automobile Liability, code 1 (any auto), if applicable.
 - (3) Workers' Compensation insurance as required by the State of California and Employers Liability insurance, and if applicable, U.S. Longshore & Harbor Workers Act and Jones Act Coverage on employees eligible for each.
 - (4) Protection and Indemnity Insurance or other form of watercraft liability insurance acceptable to the Agency.

(5) Such other insurance required by law which may be satisfied through The Regents program of self-insurance.

(b) Minimum Limits of Insurance. The Regents shall maintain limits no less than:

(1) General Liability and Protection and Indemnity (or other watercraft liability): Comprehensive or commercial general liability insurance, with limits not less than \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage including coverages for contractual liability, independent contractors, broadform property damage, personal injury, products and completed operations, and fire damage and legal liability with limits not less than \$250,000. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

(2) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation and Employers Liability: Under the Certificate of Consent to Self-Insure # P-1344, granted by the California State Director of Industrial Relations, a self-insurance program for Workers' Compensation liability is maintained by The Regents of the University of California. Said program complies with all applicable federal and state statutes. The Regents shall furnish to the Agency and the City a current Certificate of Insurance evidencing compliance with all requirements.

(4) Protection and Indemnity Liability: \$1,000,000 per occurrence.

(c) Deductibles and Self-Insured Retentions. The University of California maintains a program of self-insurance pursuant to the laws of the State of California. The University's self-insurance program is a combination of primary self-insurance with a self-insured retention of \$5 million and excess insurance above the self-insured retentions (SIR). Such program of self-insurance applies to all claims, costs, injuries, or damages but only in proportion to and to the extent such claims, costs, injuries, and damages are caused by or result from the negligent acts or omissions of The Regents, its officers, agents, faculty, students, or employees. The intent of the self-insurance program follows the provisions of the Bylaws and Standing Orders of The Regents, which do not permit any assumption of liability which does not result from and is not caused by the negligent acts or omissions of the officers, agents, faculty, students, or employees of the University.

(d) Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:

(1) General Liability and Automobile Liability Coverages.

(i) All liability insurance policies required to be maintained by The Regents shall name as additional insureds the Agency, the Port and the City and their respective officers, agents, employees and Commissioners for: liability arising out of activities performed by or on behalf of The Regents; products and completed operations of The Regents and premises owned, occupied or used by The Regents or automobiles or watercrafts owned, leased, hired or borrowed by The Regents. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, the Port or City or their respective Commissioners, officers, agents or employees.

(ii) For any claims related to this Agreement, The Regents' insurance coverage shall be primary insurance as respects the Agency, the Port and the City and their respective Commissioners, officers, agents and employees. Any insurance or self-insurance maintained by the Agency, the Port or the City or their respective Commissioners, officers, agents or employees or shall be excess of The Regents' insurance and shall not contribute with it.

(iii) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Agency, the Port or the City or their respective Commissioners, officers, agents or employees.

(iv) The Regents' insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(2) Workers' Compensation and Employers Liability Coverage. The insurer shall agree to waive all rights of subrogation against the Agency, the Port and City and their respective Commissioners, officers, agents and employees for losses arising from work performed by The Regents pursuant to this license.

(3) All Coverages. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency and the City. In the event that any of the aforesaid coverage should expire, be canceled or lapse for any reason, The Regents agrees not to conduct any business activities from the Premises until the Agency gives its written consent.

(e) Acceptability. Insurance is to be placed with insurers with a Best's rating of no less than A: VII, unless otherwise approved by the Agency.

(f) Verification of Coverage. The Regents shall furnish the Agency and the City with evidence of self insurance and certificates of insurance with original endorsements

effecting coverage required by this clause on or before the Effective Date. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the Agency. All certificates and endorsements are to be received and approved by the Agency before The Regents take control of the Premises. The Agency reserves the right to require complete, certified copies of all required insurance policies at any time.

(g) Ground Lease Requirements. Notwithstanding any provision to the contrary in this Agreement, The Regents shall, with respect to the Premises, secure and keep in force during the term of the Agreement such insurance as required of the Agency under the Ground Lease. Not more often than every year and upon not less than sixty (60) days prior written notice, the Agency (as directed by the City under the Ground Lease) may require The Regents to increase the insurance limits set forth in Section 8.1(b) above, if, in the reasonable judgment of the City's Risk Manager, it is the general commercial practice in San Francisco or in other cities or counties around the country to carry insurance for facilities similar to the Premises in amounts substantially greater than those amounts carried by The Regents with respect to risks comparable to those associated with the use of the Premises.

SECTION NINE NONDISCRIMINATION

9.1 There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, disability (including AIDS or HIV status) or sexual orientation in The Regents' use, occupancy, transferring or enjoyment of the Premises pursuant to this Agreement. The Regents, or any person claiming under or through it, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, use, or number of its passengers, customers, or other users of its business services. The Regent further agrees that the use of the Premises shall be provided in compliance with the Americans with Disabilities Act ("ADA").

SECTION TEN AGENCY CONFLICT OF INTEREST PROHIBITED

10.1 No commissioner, official or employee of the Agency shall have any personal or financial interest, direct or indirect, in this Agreement, nor shall any such commissioner, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is interested directly or indirectly.

SECTION ELEVEN REPRESENTATIONS AND WARRANTIES

11.1 The Regents. The Regents represents, warrants and covenants to the City, the Port, the Agency and FOCIL-MB as follows:

- Authority. The Regents has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of its duties and obligations under this Agreement.
- No Limitations. No law or agreement to which The Regents is bound prohibits or materially limits or otherwise affects the right or power of The Regents to enter into and perform all of the terms and covenants of this Agreement. There are no pending or threatened suits or proceedings or undischarged judgments affecting The Regents before any court, governmental agency, or arbitrator which, if determined adversely to The Regents, might materially adversely affect the enforceability of this Agreement or the ability of The Regents to perform its obligations hereunder.
- Due Execution. The execution and delivery of this Agreement and any agreements contemplated hereby by The Regents has been duly and validly authorized by all necessary action on the part of The Regents. Upon its execution and delivery by all Parties, this Agreement will be a legal, valid, binding and enforceable obligation of The Regents.

11.2 The Agency. The Agency represents, warrants and covenants to The Regents as follows:

- Authority. The Agency each has all requisite power and authority to execute and deliver this Agreement and to carry out and perform all of their respective duties and obligations under this Agreement.
- No Limitations. No law or agreement to which the Agency is bound prohibits or materially limits or otherwise affects the right or power of the Agency to enter into and perform all of the terms and covenants of this Agreement. There are no pending or threatened suits or proceedings or undischarged judgments affecting the Agency before any court, governmental agency, or arbitrator which, if determined adversely to either such Party, might materially adversely affect the enforceability of this Agreement or the ability of such Party to perform its obligations hereunder.
- Due Execution. The execution and delivery of this Agreement and any agreements contemplated hereby by the Agency has been duly and validly authorized by all necessary action on the part of the Agency. Upon its execution and delivery by all Parties, this Agreement will be a legal, valid, binding and enforceable obligation of the Agency.

SECTION TWELVE MISCELLANEOUS PROVISIONS

12.1 Notices

All notices, demands, consents or approvals required under this Agreement (except reservations) shall be in writing and shall be deemed given when delivered personally or three (3) business days after being deposited in the U.S. Mail, first class postage prepaid, return receipt requested, addressed as follows:

If to the Agency: San Francisco Redevelopment Agency
 1 South Van Ness Avenue, 5th Floor
 San Francisco, CA 94103
 Attention: Executive Director

If to The Regents: The Regents of the University of California
 UCSF Real Estate Services
 San Francisco, CA 94143-0287
 Attention: Director, Real Estate Services

If to the City: Director of Property
 City and County of San Francisco
 25 Van Ness Avenue, Suite 400
 San Francisco, CA 94102

 with a copy to

 City Attorney, City of San Francisco
 Room 234, City Hall
 1 Dr. Carlton B. Goodlett Place
 San Francisco, California 94102-4682
 Attention: John Malamut, Esq.

or to such other addresses as the parties may designate by notice as set forth above.

12.2 Time of Performance

- (a) Time is of the essence in the performance of all the terms and conditions of this Agreement.
- (b) All performance and cure periods expire at 5:00 p.m., San Francisco, California time, on the applicable date.
- (c) A performance or cure date which otherwise would be a Saturday, Sunday or Agency holiday shall be extended to the next Agency working day.

12.3 Default

The breach of any term of this Agreement by The Regents and failure to cure within fourteen (14) calendar days of Agency's written notice shall constitute an event of default. If the Agency (or its authorized representative) determines, in its sole and absolute discretion that The Regents, its on-site operator, employees, contractors, invitees create a public safety hazard or any other hazardous condition on the Premises or in the Park System, the Agency or its authorized representative may notify The Regents, its on-site operator, employees, contractors, invitees of the breach verbally and require a shorter cure period. Upon The Regents' default, Agency may terminate this Agreement on thirty (30) days' written notice, at its option, without entitling The Regents to seek or obtain legal or equitable relief against the Agency for any reason.

12.4 Successors and Assigns

This Agreement may not be assigned without the express written consent of the City, Agency and FOCIL-MB (or its successors), which consent may be given or withheld in their sole discretion.

12.5 Modification, Waiver and Amendment

As set forth in Section 1.2 of this Agreement, the "Rules and Regulations for the Mission Bay Open Space System," set by the Agency and attached hereto as Attachment C, may be amended from time to time by the Agency in its sole discretion. However, any other modification, waiver or amendment of any of the provisions of this Agreement must be in writing and signed by both the Agency and The Regents.

12.6 Entire Agreement

This Agreement represents the complete agreement between the parties as to the matters described herein, and there are no oral understandings between The Regents and the Agency affecting this Agreement not set forth herein. This Agreement supersedes all previous negotiations, arrangements, agreements and understandings between The Regents and the Agency with respect to the subject matter hereof.

12.7 Severability

If any provision of this Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provision and all such other provisions shall remain in full force and effect.

12.8 Governing Law

This Agreement shall be governed by the laws of the State of California. It is the responsibility of The Regents to be informed of local, state and federal laws and requirements applicable to this Agreement and to perform all work in compliance with those laws and requirements. The Regents must maintain all permits or licenses and pay all taxes or fees required by federal, state, or local law throughout the period of this Agreement.

12.9 Headings

Titles of parts or sections of this Agreement are inserted for convenience only and shall be disregarded in construing or interpreting its provisions.

12.10 Attorneys' Fees

In any action or proceeding arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

12.11 Authority

The undersigned represents and warrants that he or she has full power and authority to enter into this Agreement and to bind The Regents in accordance with its terms.

12.12 Reporting Requirements

The Regents shall submit a written report on the performance of its program in the format and frequency and including the contents as described in Attachment B, "UCSF Kayak Program Summary" attached hereto. The Reporting Requirements may be amended from time to time.

12.13 Workforce Opportunities and Commitment to Diversity

The Regents has identified as one of its goals and objectives in its 1996 Long Range Development Plan the maintenance and promotion of diversity in The Regents' work force. As part of its goal of achieving diversity in The Regents' workforce, The Regents has stated the goal of establishing a strong, results-oriented affirmative action plan that includes the promotion of purchasing from and contracting with minority, women-owned and disadvantaged businesses, hiring and contracting with community residents, and promoting diversity in The Regents' faculty, students and staff. In addition, another identified goal is the coordination of hiring programs with community employment and job training programs, labor unions, and local high schools and colleges. The Regents will make good faith efforts to ensure that minority- and women-owned businesses have the opportunity to compete for contracts with UCSF, including advertising contracting opportunities. Although The Regents' current programs will change over time in

response to changing conditions in the community, the makeup of target populations and The Regents' policy, The Regents remains committed to the goals of promoting diversity and benefits for local residents and businesses in its employment and contracting practices. The Regents will continue to comply with the affirmative action requirements imposed upon The Regents as a federal contractor under Executive Order 11246.

12.14 Recitals and Attachments

Additional terms, covenants and conditions to this Agreement, are contained in Attachments A through C described below and attached hereto which, by this reference, are incorporated into this Agreement as if fully set forth herein.

Attachment A:	Premises Location Map
Attachment B:	UCSF Kayak Program Summary
Attachment C:	Rules and Regulations for the Mission Bay Open Space System
Attachment D:	Ground Lease

IN WITNESS WHEREOF the Agency and The Regents have executed this Agreement as of the date first above written.

THE REGENTS:

The Regents of the University of California

Esther E. Morales
Director, Real Estate Services

By: _____

The AGENCY:

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, corporate and politic

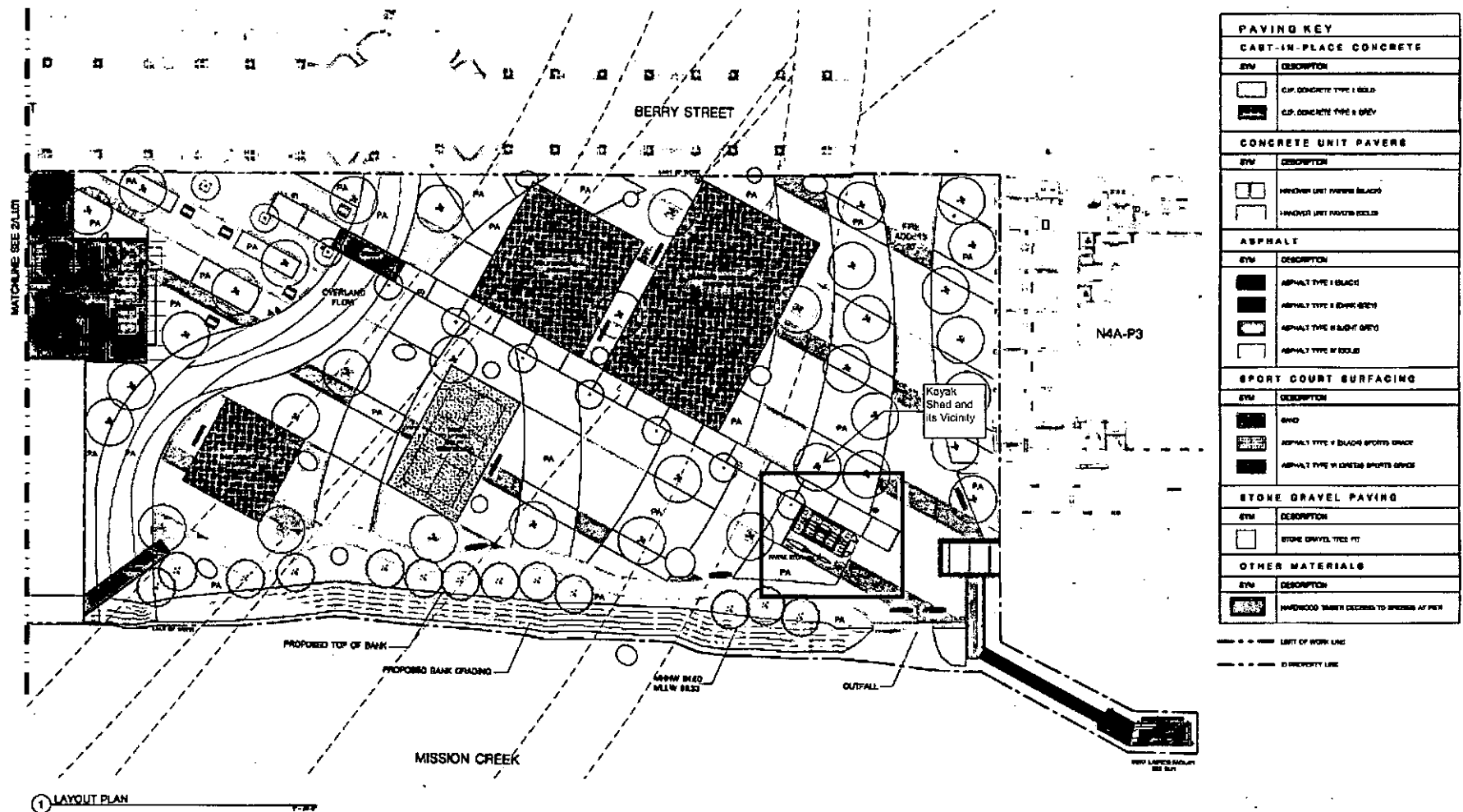
Fred Blackwell
Executive Director

By: _____

Approved as to Form

James B. Morales
Agency General Counsel

Authorized by Agency Resolution No.
_____ adopted on _____,
2008



MIAMI FLORIDA
MFLA
METROPOLITAN FLORIDA
LAND AUTHORITY
1000 BAYVIEW BLVD
SUITE 200
MIAMI, FL 33134

MISSION CREEK PARK: PARCELS NP4 & NP5 SCHEMATIC DESIGN

MIAMI SCHEMATIC DESIGN
S.D.P.

AS SHOWN IN THE PLAN, THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT. THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT.

AS SHOWN IN THE PLAN, THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT. THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT.

AS SHOWN IN THE PLAN, THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT. THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT.

AS SHOWN IN THE PLAN, THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT. THE PROPOSED PARKING LOT IS TO BE LOCATED TO THE WEST OF THE PARKING LOT.



WEST SIDE
LAYOUT PLAN
PARCELS NP4
SHEET NO.

L104

Attachment B

UCSF Kayak Program Summary

UCSF Outdoor Programs

**Kayak Storage Shed and Boat Launch Facility
NP4, Mission Creek Park**

Introduction

As part of the University of California San Francisco (UCSF), Outdoor Programs will provide the stability, experience and access required to make kayaking a successful component of Mission Creek Park. The public boat launch will provide access to those who already have boats and training. Housing UCSF Outdoor Programs at the park will provide kayaking opportunities for those who have little or no experience and equipment.

Outdoor Programs, a sub-unit of Campus Life Services' Fitness & Recreation unit at UCSF, has over 33 years of experience leading outdoor adventures in the Bay Area. In fact, Outdoor Programs was one of the first University based outdoor adventure programs in the country. Outdoor Programs has a dual commitment to serve both the UCSF community and the general public and is under contract with the California Department of Boating and Waterways to provide on the water training to enhance basic boating safety education.

Presently, Outdoor Programs has a kayaking base in Sausalito and a temporary kayak storage space at Mission Bay on Pier 54. By securing a convenient location on the calm waters of Mission Creek, Outdoor Programs will be able to serve youth groups and beginner paddlers that are difficult to serve from the choppy waters at Pier 54, our present Mission Bay location. A dedicated kayaking program in Mission Creek Park will also help support the Blue Greenway, a planned 13-mile path providing walking, biking and water access along San Francisco's southern waterfront.

Summary of Programming

The location of Mission Creek Park is ideal in that it provides a protected body of water perfect for beginning level paddles while at the same time provides a launching point for more advanced paddling destinations. Outdoor Programs is committed to providing programs that provide quick and easy access to the Bay as well as courses that focus on building skills and learning about safe boating. Courses range from instructional classes to guided tours around the bay. Courses will be open to both the general public and persons affiliated with UCSF. Below is a sample of courses and trips that will be offered:

Introduction to Sea Kayaking

Goal: Introduce basic sea kayaking skills and safety. Students will learn how to enter and exit kayaks, and how to perform basic strokes and rescues. Successful completion of this class will allow participants to rent sea kayaks for use in protected waters locally or around the world.

"This one-day introductory course is designed to give you the skills and confidence to begin paddling on your own in a single kayak. In the morning we will cover boat design, paddling techniques and rescue skills. After lunch we move into the classroom to talk

tides, weather and safe boating practices. This course is taught to ACA standards and is recognized by most sea kayaking companies, qualifying you for future rentals.”

Sea Kayaking II

Goals: Increase overall kayaking skills, boat control, balance, and rescue skills. This class prepares students for more challenging destinations.

“This course is for students who want to paddle in more challenging conditions. Students will become familiar with the J-lean and its uses, including edge control to maneuver and correct course. Students will also review and refine the forward stroke, practice rescues in open water, and learn some basic navigation, including the use of ranges.”

Mission Bay Tours

Goal: Using stable double kayaks, participants will be introduced to basic paddling and safety skills and then go for an easy paddle to practice skills and to explore Mission Bay from the water.

“A beautiful sunset, the bay, and a chance to share the experience with new friends and old: join us and enjoy the panoramic views from Mission Bay as the sun sets behind Mount Tamalpais on this paddling adventure. You’ll witness unforgettable views of San Francisco, Angel Island, Treasure Island and Alcatraz. We’ll talk safety, paddle onto the bay, and stop to share a snack and new memories before returning home.”

Mission Creek Paddle

Goal: Most paddling around the San Francisco Waterfront can be quite challenging with strong winds, current and plenty of boat traffic. Mission Creek provides a protected body of water suitable for beginning level paddlers. The Mission Creek Paddle will be perfect for youth groups and families.

“These are great trips for the whole family, youth groups or those who want to try out kayaking. Children, as young as 10 years old can enjoy kayaking with parents and friends. Our stable two-person kayaks offer endless possibilities for introducing youngsters to the waters of Mission Creek. No experience necessary!”

Kayaking for Core Fitness Level 1

Goal: The best time to paddle is during the early morning hours. Outdoor programs takes advantage of this while providing a paddling course for people who are interested in utilizing kayaking as a way to increase fitness levels.

“Kayaking for Core Fitness Level 1 is a 3-week series of early morning workouts on beautiful Mission Bay. Perfect for beginners, this series utilizes stable double kayaks. Outdoor Programs instructors will take care of the logistics. All you have to do is show

up! Kayakers of all abilities can develop an efficient torso powered forward stroke. Sign up with a friend or get ready to make a new one!"

Custom Trips

The classic "3-hour tour" has proven to be the ideal amount of time for most beginners. This includes a 30-40 min. orientation, use of traditional closed-deck double kayaks and one guide for every 8 people on the water. Guides are trained regarding local history and are very knowledgeable about the local marine life. Custom trips can be arranged at any of our locations.

Target Participant Groups

As stated, Outdoor Programs is committed to serving the UCSF community as well as the general public. Our main target groups from this site will break down as follows:

UCSF Groups - Our mission at the University is to help make UCSF an institution of choice for students and staff. Outdoor Programs contributes by creating experiences that promote community, health and wellness for the UCSF students, faculty and staff.

Youth Groups - Another commitment of the University is to provide programs that enrich the local community. Kayaking at Mission Creek provides a great opportunity for youth groups to experience an activity that teaches leadership, teamwork and water safety.

To insure underserved youth have access to kayaking programs, Outdoor Programs will make scholarships available to qualifying groups. It is our goal to provide approximately 13 trips serving up to 208 youth at no cost and increase the scholarship fund each year with additional outside support. We will target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth are served by the kayaking program.

Outdoor Programs will also offer courses on a sliding scale to qualifying non-profit youth groups.

General Public – Courses, trips and tours are open to the general public. Outdoor Programs has a special commitment to teaching the public about boating safety.

Course Statistics

Below are the combined participation 2005 figures for Sausalito and Mission Bay along with projections for 2007, which includes courses initiated from the kayaking storage facility at Mission Park. It should be noted that approximately 90% of all participation in 2005 originated from our Sausalito location and the majority of growth in 2007 will occur at Mission Bay.

Outdoor Programs expects to serve approximately 800-1000 participants from the Mission Creek Storage Shed and Kayaking Launch each year.

Type of Course:

Type of Course	# Of Sessions Offered Annually 2005	Total Participants by Course type 2005	# Of Sessions Offered Annually 2007	Total Projected Participants by Course type 2007
Beginning level kayaking	45	720	80	1140
Intermediate/Adv Kayak	1	12	9	168
Youth Programs	1	16	16	256
Totals	47	748	105	1564

Participant Demographics:

Population Segment	# Of Participants 2005	# Of Projected Participants 2007
General boating public	348	624
School /youth groups	16	256
UCSF Staff /Fit members	258	298
UCSF students	126	386
Senior groups	0	0
Disabled groups	0	0
Total Participants	748	1564

Course Operations

Trips and classes can be offered year round; however, the main season is from May to October which could support SFUSD end-of-year and back-to school trips as well as Recreation and Parks summer camps. Programs will be run out of the park at least four times a week during the main season, including most weekends and several days during the week. Use of the shed will be during daylight hours, from approximately 6:00 a.m. to 8:00 p.m.

UCSF Outdoor Programs will store its kayaks in the kayak storage shed and begin and end its kayak tours and classes from the boat launch. When UCSF Outdoor Program staff is not physically at the kayak shed and boat launch, signs will offer public information

about the programs and who to contact to sign-up. UCSF and the Agency will agree on the design and location of the signs.

Quarterly Reports

UCSF Outdoor Programs will provide a quarterly program report to the Agency. The report will describe the activities, including all tours and classes, which took place in the quarter. The report will also include the approximate number of persons served and the demographics of the populations served (i.e., general public, youth, seniors, disabled, UCSF-affiliated groups) as well as document outreach conducted to underserved communities. The report will also note any changes to the condition of the property and any security incidents.

Waivers

UCSF Outdoor Programs will ensure that the waiver form signed by each participant in the kayak programs includes the Agency and the City and County of San Francisco as the indemnified parties and extends to the Agency the same protections that the Regents receive in the waiver.

Attachment C

Rules and Regulations for the Mission Bay Open Space System

Attachment C

RULES AND REGULATIONS FOR THE MISSION BAY OPEN SPACE SYSTEM

1. The following activities are prohibited: littering or dumping; camping; boat launching; off-leash animals; motorized vehicles except wheelchairs or other motorized devices used by the disabled; feeding or disturbing birds, animals, or fish; and bicycle riding, skateboarding, roller skating or roller blading except on designated paved paths.
2. Barbeques or open flames, amplified sound, alcoholic beverages, and posting signs are prohibited except in conjunction with a special event permit. Permits will be issued in a process consistent with the Agency's *Permit and Reservation Regulations for Parks under Agency Jurisdiction* adopted by the Agency on September 12, 1995 by Agency Resolution 182-95.
3. Open sunrise to 10:00 pm.

Attachment D

Ground Lease

**FIRST AMENDMENT TO
GROUND LEASE**

**BY AND BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO**

**AND
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

Mission Bay

**FIRST AMENDMENT TO
AGENCY GROUND LEASE**

THIS FIRST AMENDMENT TO AGENCY GROUND LEASE ("Amendment"), dated for reference purposes only as of June 22, 2006, by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. The City and the Agency entered into that certain Agency Ground Lease (the "Ground Lease") dated for reference purposes only as of November 16, 2001, to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA, each as defined hereinbelow.

B. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation ("Catellus") entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus' and its permitted Transferees' (collectively "Owner") obligations under the North OPA and the South OPA to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement

("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." In 1998, most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) were owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Master Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. The Master Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Master Lease in accordance with the terms thereof in order to convert the use of the applicable portions of the premises under the Master Lease to a permitted use under the Public Trust. The Ground Lease is designed to become effective over those portions of the Premises which are intended for uses as public open space, parks or plaza for which the Master Lease has been terminated, upon such termination of the Master Lease. As used herein, the term "Plan Documents" means the Redevelopment Plans, the North OPA, the South OPA, the Design for Development for Mission Bay North and Mission Bay South, the Mission Bay Subdivision ordinance and regulations adopted thereunder.

G. Catellus has entered into a restructuring transaction involving the Mission Bay project. On November 22, 2004, Catellus Land and Development Corporation, Catellus Operating Limited Partnership, Catellus Residential Group, Inc., Catellus Finance Company, LLC, and Mission Bay S26(a), LLC, each a seller and a subsidiary of Catellus, as sellers, entered into a Purchase Agreement with FOCIL Holdings, LLC and certain of its affiliated entities, as buyers, under which Catellus and its subsidiaries have sold a significant portion of Catellus' remaining urban and residential development assets in Mission Bay to FOCIL-MB, LLC ("FOCIL"). In connection with the Purchase Agreement referred to above, FOCIL and certain of its affiliated entities also entered into a Development Agreement with Catellus Urban Construction, Inc. and Catellus Commercial Development Corporation, each a subsidiary of Catellus, under which the FOCIL entities have engaged the Catellus subsidiaries to act as development manager for the transferred assets. In addition, Catellus Finance Company, LLC, a subsidiary of Catellus, entered into a loan agreement with a FOCIL entity, and CF Capital, LLC, a subsidiary of Catellus, entered into a separate loan agreement with other FOCIL entities, in each case to fund a portion of the purchase price for the transferred assets. The sale of the assets and the other transactions, contemplated by these agreements, closed on November 22, 2004. An Assignment, Assumption and Release document dated November 22, 2004 was recorded in the

San Francisco Official Records on December 1, 2004 as Document No. 2004-H859891-00.

G. Owner has met the conditions of Owner in the North OPA for the development of Parks NP1 and NP2 in Mission Bay North and in the South OPA for the development of Park P17 in Mission Bay South, to obligate the Agency to enter into an amendment to the Ground Lease.

H. Pursuant to the Plan Documents, the Land Transfer Agreements, and the Master Lease, the City and Agency wish to amend the Ground Lease to add the legal descriptions of Parks NP1 and NP2 in Mission Bay North and Park P17 in Mission Bay South to the Premises and attach such descriptions to the Ground Lease as part of Exhibit B

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to amend the Ground Lease as follows:

1. Exhibit B of the Ground Lease is hereby amended to add and incorporate the legal descriptions shown on Exhibit B-2 and Exhibit B-3 attached to this Amendment. Exhibit B-2 sets forth the legal descriptions to parks NP1 and NP2 in Mission Bay North, and Exhibit B-3 sets forth the legal description to park P17 in Mission Bay South.

2. Section 28 of the Ground Lease is hereby amended in its entirety to read as follows:

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

Acting by
And through
Its Board of
Supervisors:

Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880

Copy to:

City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place, Room 234
San Francisco, CA 94102-4682
Attention: Finance/Real Estate Transaction Team
FAX NO: (415) 554-4755

Acting by
And through
Its Port:

Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400

Copy to:

City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Robert Bryan
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0485

Address for Agency:

San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director

Copy to: Agency General Counsel's Office
San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454

Address for Owner:

FOCIL-MB, LLC, a Delaware limited liability company
c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 1325
San Francisco, CA 94111
Atten: Seth Hamalian
Richard Fried

Copy to: Coblentz, Patch, Duffy & Bass, LLP
One Ferry Building, Suite 200
San Francisco, CA 94111
Atten: Joshua R. Steinhauer

And to: ProLogis
255 Channel Street
San Francisco, CA 94107
Atten: William Kennedy, First Vice President

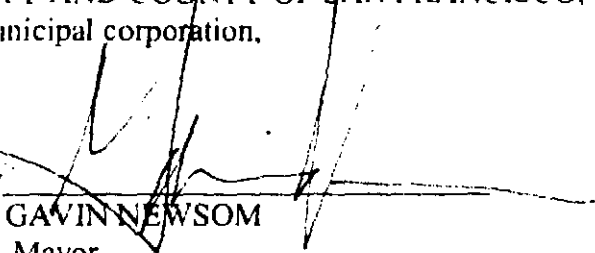
3. Except as expressly modified by this Amendment, all of the terms and conditions of the Ground Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, CITY and Agency execute this Amendment at San Francisco, California, as of the date set forth above.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

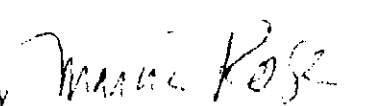
By


GAVIN NEWSOM
Mayor

AGENCY:

Redevelopment Agency
of the City and County of
San Francisco

By


MARCIA ROSEN
Executive Director

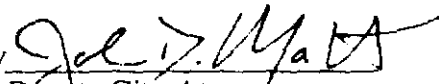
By


Amy L. Brown
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

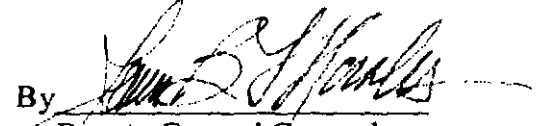
By


Deputy City Attorney
for the CITY

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By


Deputy General Counsel

SAN FRANCISCO PORT COMMISSION

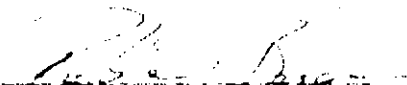
By


MONIQUE MOYER
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By


Deputy City Attorney
for the PORT

CONSENT

The undersigned, on behalf of Owner, in executing this Amendment for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Master Lease; provided, however, that nothing continued herein shall be deemed to impose any additional obligations or liabilities upon Owner under the Amendment other than as is already set forth in the Plan Documents and the Land Transfer Agreements, hereby consents to the foregoing Amendment.

FOCIL-MB, LLC, a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
its Manager

By: 

Name:

Richard B. Fried

Its:

Managing Member

EXHIBIT "B-2"
(NP1 & NP2 PARKS)

EXHIBIT "B-2"

(NP1 & NP2 PARKS)

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Park NP1

Beginning at the most southerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of said City and County; thence, along the southeasterly line of said Lot 4, being also a boundary line of the above-said State Trust Parcel 1, North 46°18'07" East, 776.70 feet, to the southwesterly line of Fourth Street (82.50' wide), as shown on the above-said "Map of Mission Bay"; thence, along said southwesterly line, South 43°41'53" East, 60.00 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 776.70 feet, to the southeasterly prolongation of the southwesterly line of said Lot 4; thence, along said prolongation, North 43°41'53" West, 60.00 feet, to the **Point of Beginning**.

Containing 46,602 Sq. Ft., more or less.

Park NP2

Beginning at the most westerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP - Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of the City and County of San Francisco, State of California; thence, along the southwesterly line of said Lot 4, South 43°41'53" East, 241.50 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 180.00 feet, to the southeasterly prolongation of the northeasterly line of Block 8707, Lot 5, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N4A)", recorded on December 7, 2004, in Book AA, of Maps, at Pages 179-183; thence, along said prolongation, North 43°41'53" West, 241.50 feet, to northwesterly line of Street Vacation SV-28, as said Street was vacated by Ordinance 328-98, and recorded in

Book H429, Image 505, Official Records, in the Office of the Recorder of said City and County; thence, along said northwesterly line, North $46^{\circ}18'07''$ East, 131.25 feet, to the northwesterly line of Street Vacation SV-26, as said Street was vacated by said Ordinance 328-98; thence, along said northwesterly line, North $46^{\circ}18'07''$ East, 48.75 feet, to the **Point of Beginning**.

Containing 43,470 Sq. Ft., more or less.

Description approved by:


Bruce Storrs, L.S. 6914

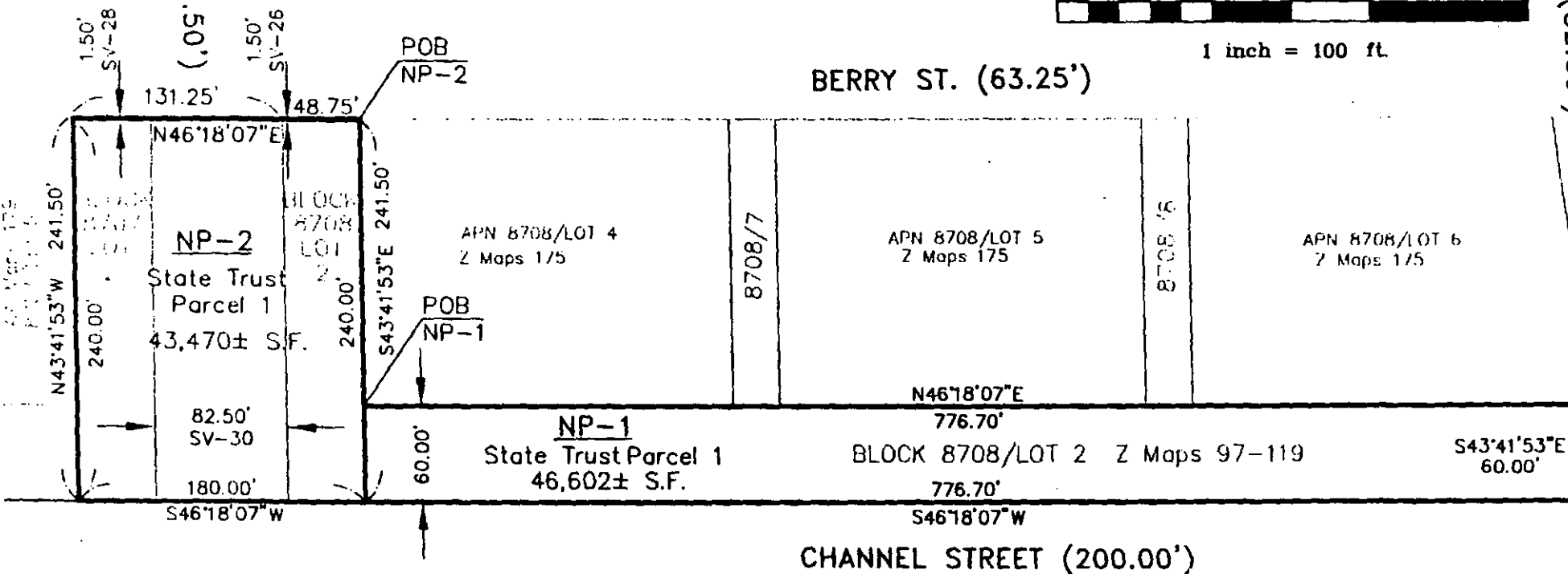
My License Expires September 30, 2007
City and County Surveyor, San Francisco





1 inch = 100 ft.

FOURTH STREET (82.50')



POB Point of Beginning
SV-28 Street Vacation-H429 Image 505

te: 04/06/06	MBTF Mission Bay Task Force 30 Van Ness Ave. Room 4200 San Francisco, Ca 94102
ttc	

**Mission Bay Project
San Francisco, California
Exhibit
Plat to Accompany
Legal Description**

sheet 1
of
sheet 1

Exhibit "B-2.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled " Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Box Sewer Facility and the 12-inch VCP Sewer, encased in concrete, as they now exists. Said easements are shown in their approximate location on the attached plat map "B-2.1" to be used for reference only.

APN 8705/
LOT 6
Z Maps 175

FIFTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175



FOURTH STREET (82.50')

BERRY ST. (63.25')

180.00'

241.50'

7' X 9' SEWER ON PILES

12" VCP SEWER ENCASED IN CONCRETE

NP-2

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

8708/8

APN 8708/LOT 6
Z Maps 175

776.70'

BLOCK 8708/LOT 2

Z Maps 97

NP-1

00'09"

180.00'

776.70'

CHANNEL STREET

Legend

Park Boundary

SV-30

Street Vacation-H429 Image 505

Lot Line

Date: 04/06/08

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

Mission Bay Project

San Francisco, California

Exhibit "B-2.1"

Plot to Accompany

Legal Description

sheet 1

of

sheet 1

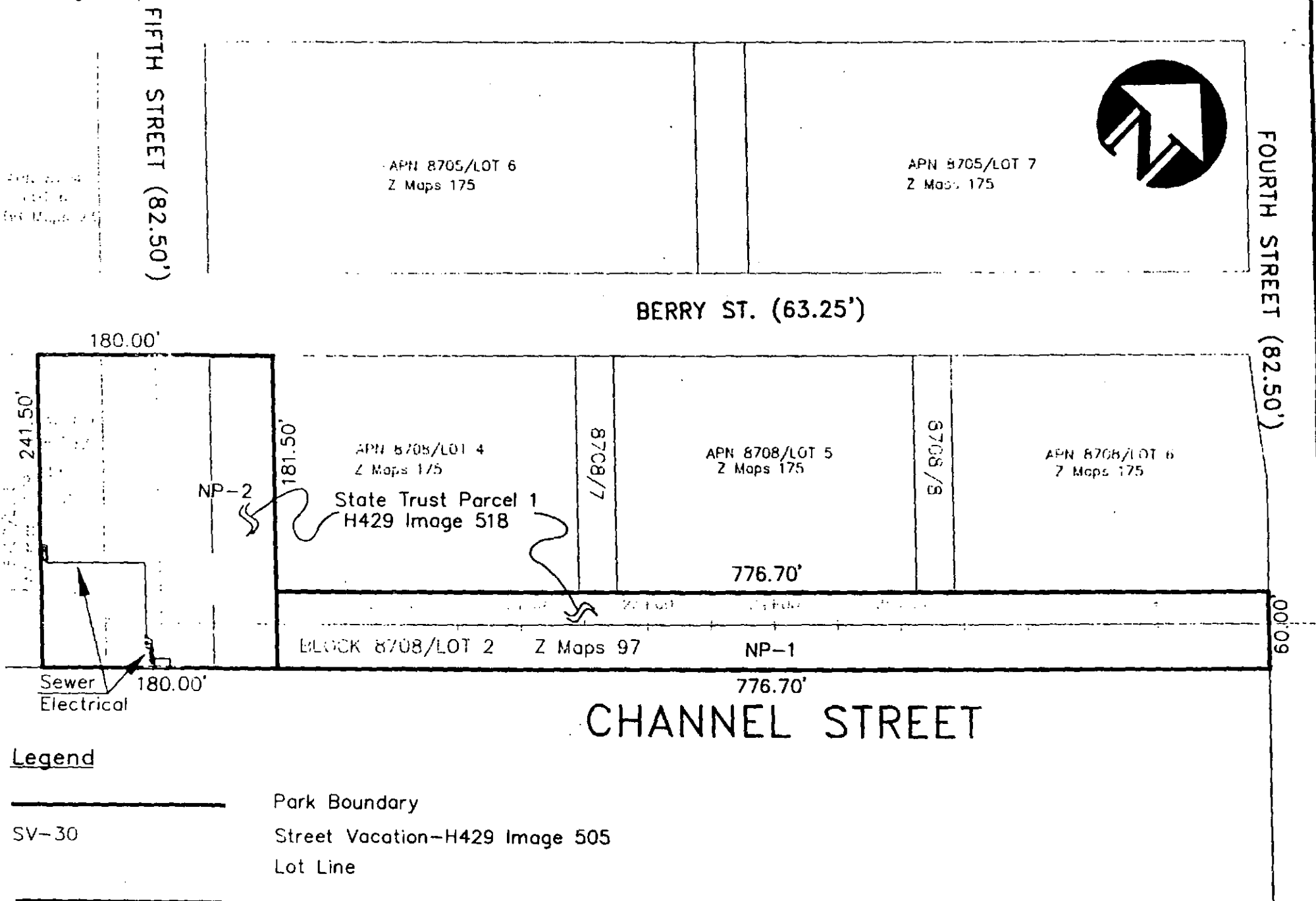
Combined Sewer Electrical Easements - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer electrical system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled " Map of Mission Bay", recorded on July 19, 1999 in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of each electrical facility, each of which will be required for access and maintenance of combined sewer electrical facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map "B-2.2" to be used for reference only.



FOURTH STREET (82.50')

00.09'

te: 04/06/08

tlc

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
Exhibit "B-2.2"
Plat to Accompany
Legal Description

sheet 1
of
sheet 1

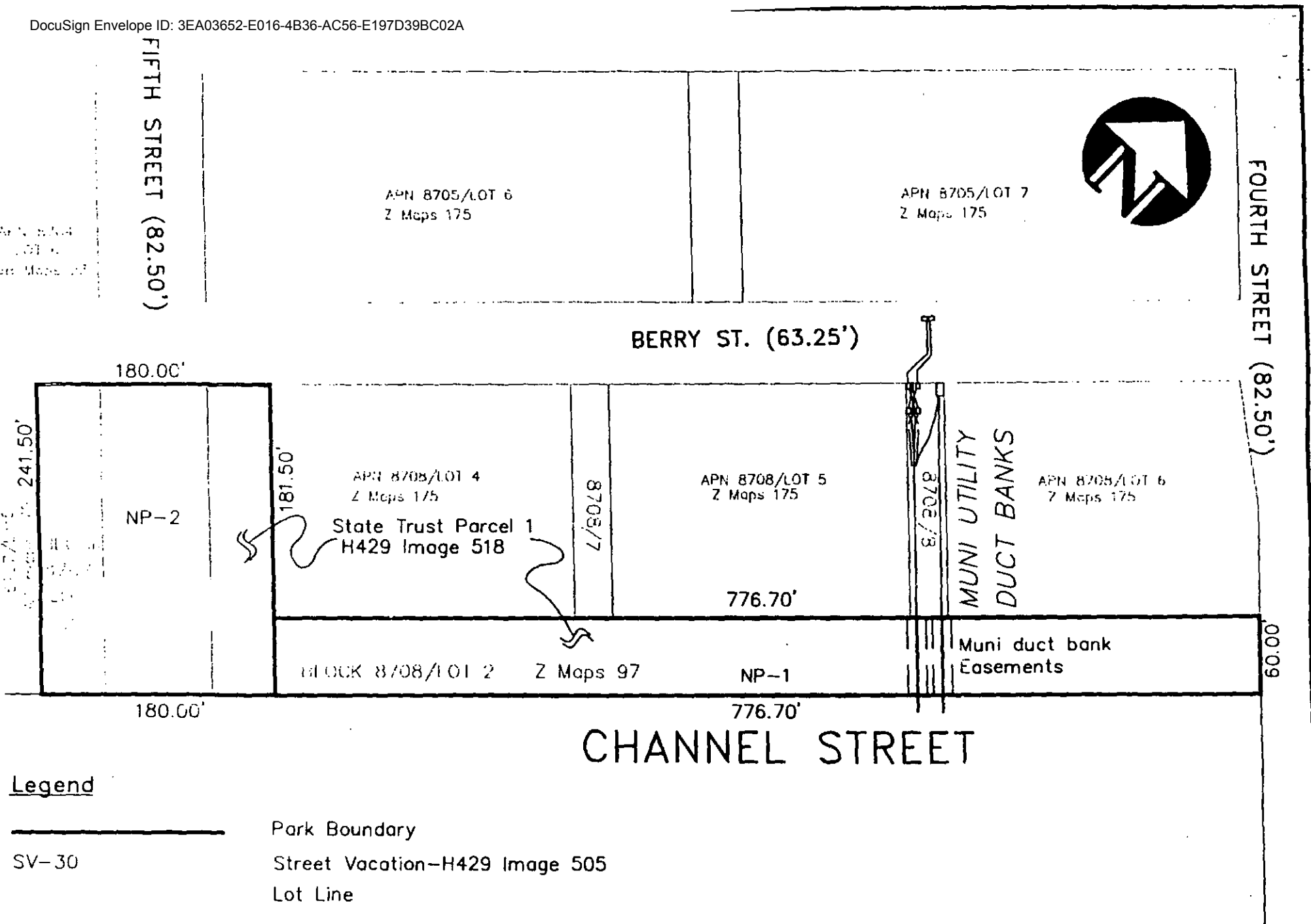
MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Metropolitan Transit Authority, MTA, and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future MUNI duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MTA, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MTA, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.3 to be used for reference only.

**Legend**

	Park Boundary
	Street Vacation-H429 Image 505
	Lot Line

te: 04/06/08	MBTF Mission Bay Task Force 30 Van Ness Ave. Room 4200 San Francisco, Ca 94102	Mission Bay Project San Francisco, California Exhibit "B-2.3" Plat to Accompany Legal Description	sheet 1 of sheet 1
--------------	---	---	--------------------------

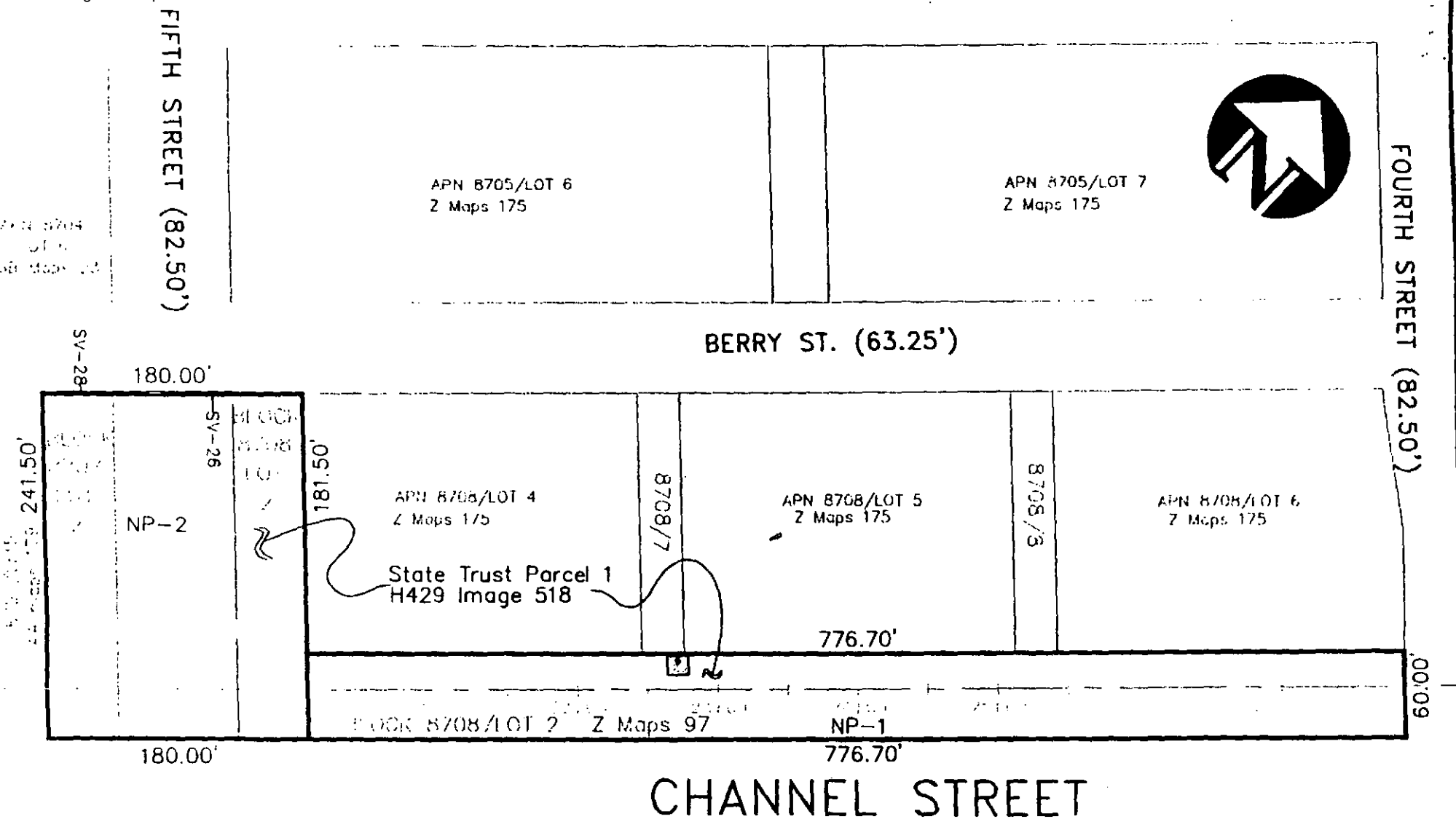
Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline and 7.5 feet southerly of the storm drain facilities, which will be required for access and maintenance of City storm drain facility extending onto the property and centered around said facilities as it now exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-2.4 to be used for reference only.



Legend

	Park Boundary
	Street Vacation—H429 Image 505
	Lot Line

ite: 04/06/06	MBTF Mission Bay Task Force 30 Van Ness Ave. Room 4200 San Francisco, Ca 94102	Mission Bay Project San Francisco, California Exhibit "B-2.4" Plat to Accompany Legal Description	sheet 1 of sheet 1
---------------	--	---	--------------------------

Water line Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of water lines, fire hydrants and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of water lines and fire hydrants.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the water lines, each of which will be required for access and maintenance of City water line and fire hydrant facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.5 to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')

APN 8705/LOT 6
Z Maps 175APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

NP-2

APN 8708/LOT 4
Z Maps 175APN 8708/LOT 5
Z Maps 175APN 8708/LOT 6
Z Maps 175State Trust Parcel 1
H429 Image 518

EX. 12" LPW

776.70'

NEW FH
LOCATIONNEW FH
LOCATION NP-1NEW FH
LOCATION
BLOCK 8705/LOT 2 Z Maps 97

180.00'

NEW FH WITH
SUCTION INLET
(STA: 20+75 +/-)RELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADERELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADERELOCATE
EX. FH TO
1' OFFSET
FROM EDGE
OF NEW
ESPLANADE

776.70'

CHANNEL STREET

Legend

Park Boundary

Street Vacation-H429 Image 505

Lot Line

Date: 04/06/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

ttc

Mission Bay Project
San Francisco, California
Exhibit "B-2.5"
Plat to Accompany
Legal Description

sheet 1
of
sheet 1

Emergency Vehicle Access Easement - The City and County of San Francisco (the ("City")) reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right over a minimum twenty foot (20') wide area within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress. The City further reserves third party beneficiary rights for enforcement of said Emergency Vehicle Access Easement.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A stripe of land, 20 feet in width within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress, and as generally shown on the improvement plans (drawing L3.0) prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director.

As to each of the reservations set forth in this Exhibit B-2.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

Description approved:

By: Bruce Storrs
Bruce Storrs, L.S. 6914
My License Expires September 30, 2007
City and County Surveyor, San Francisco



EXHIBIT "B-3"

(P17 PARK)

EXHIBIT "B-3" (P17 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

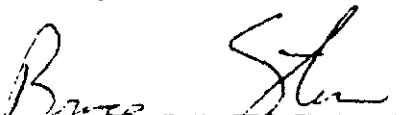
Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street lines and Assessor's Blocks/Lots herein mentioned are in accordance with that certain map entitled "Final Map-Planned Development Mission Bay (9-9A and 10-10A)", recorded on May 31, 2005, in Book BB, of Maps, at pages 6-10, in the Office of the Recorder of the City and County of San Francisco, State of California.

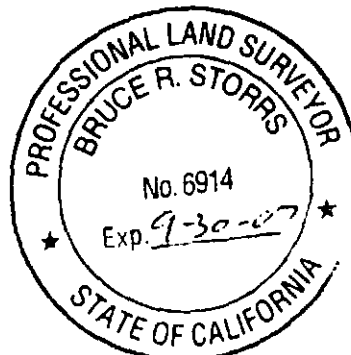
Commencing at the southeasterly corner of Block 8720/Lot 17, as shown on said Final Map; thence, along the easterly extension of the southerly line of said Lot 17, North $86^{\circ}49'04''$ East, 98.32 feet; thence, South $03^{\circ}10'56''$ East, 35.25 feet, to the **TRUE POINT OF BEGINNING** of this description, said point also being the beginning of a non-tangent curve concaved to the west, from which the radius point of said non-tangent curve bears, South $73^{\circ}45'40''$ West, 940.33 feet; thence, along the arc of said non-tangent curve, southerly, 156.94 feet, through a central angle of $09^{\circ}33'46''$, to the being the beginning of a non-tangent curve concaved to the north, from which the radius point of said non-tangent curve bears, North $22^{\circ}42'17''$ West, 19.50 feet; thence, along the arc of said non-tangent curve, westerly, 7.33 feet, through a central angle of $21^{\circ}31'42''$; thence South $86^{\circ}49'04''$ West, 304.46 feet, to the being the beginning of a tangent curve concaved northeasterly, from which the radius point of said tangent curve bears, North $03^{\circ}10'56''$ West, 14.50 feet; thence, along the arc of said tangent curve, westerly and northerly, 22.78 feet, through a central angle of $90^{\circ}00'00''$; thence, North $03^{\circ}10'56''$ West, 101.25 feet, to the beginning of a tangent curve concaved southeasterly, from which the radius point of said tangent curve bears, North $86^{\circ}49'04''$ East, 14.50 feet; thence, along the arc of said tangent curve, northerly and easterly, 22.78 feet, through a central angle of $90^{\circ}00'00''$; thence, North $86^{\circ}49'04''$ East, 291.02 feet to the **TRUE POINT OF BEGINNING**.

Containing 0.947 Acres, more or less.

Description approved by:


Bruce Storrs, L.S. 6914

My License Expires September 30, 2007

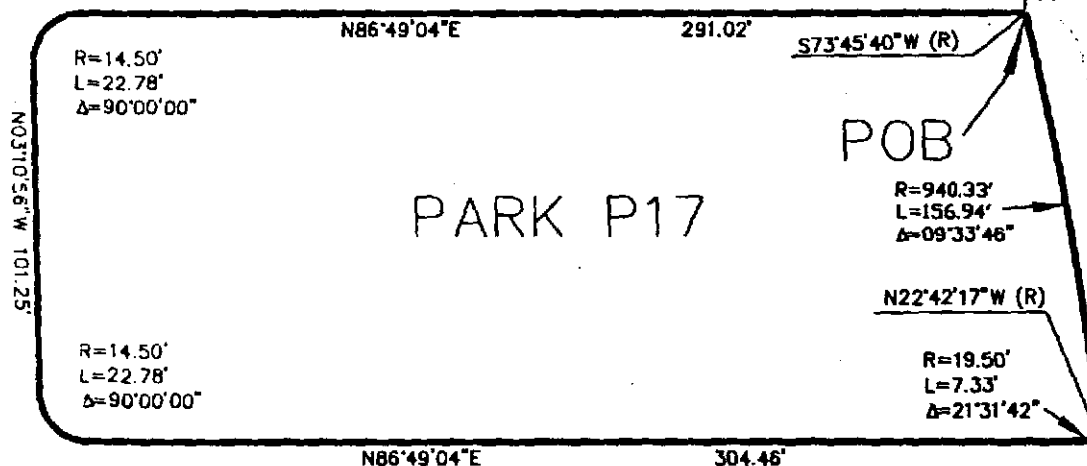


APN 8720/17 POC Park P18
(Block 9A)



SCALE: 1"=60'

Mission Bay Blvd. North (35.25')



Mission Bay Blvd. South (35.25')

APN 8721/10
(Block 26a)

LEGEND

	Park Boundary
	Lot Line
	POC Point of Commencement
	POB Point of Beginning

e: 04/12/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
Park P17
Exhibit to Accompany Legal Description

sheet 1
of
sheet 1

Exhibit "B-3.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Legal Description

Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-3" a temporary, non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of the existing storm drain facilities, which will be required for temporary access and maintenance of City storm drain facilities and centered around the storm drain facilities as it now exists or may exist in the future. Said easement is shown in its approximate location on the attached plat map B-3.1 to be used for reference only.

As to the reservation set forth in this Exhibit B-3.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall State (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Description and Plat Map are approved.

By: Bruce Storrs
Bruce Storrs, L.S. 6914
My License Expires September 30, 2007
City and County Surveyor, San Francisco



APN 8720/17
(Block 9A)

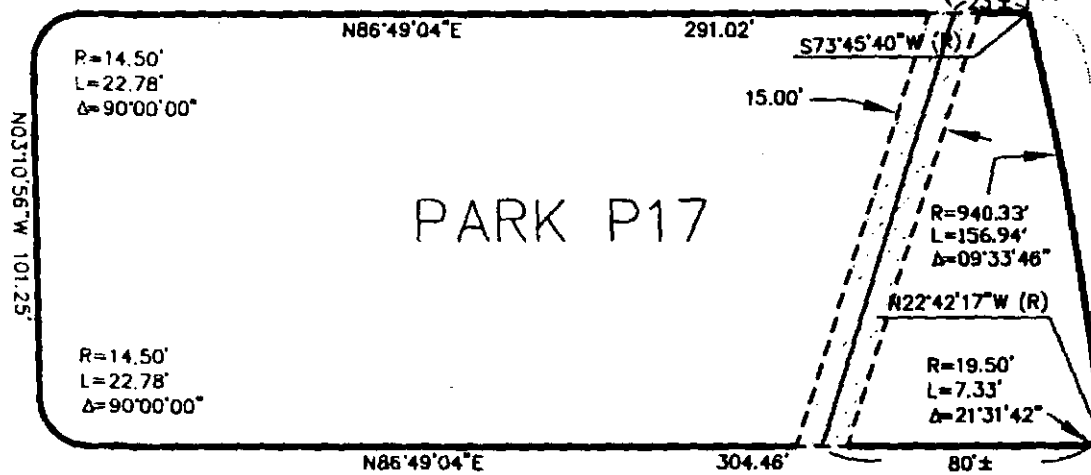
POC

Park P18



SCALE: 1"=60'

Mission Bay Blvd. North (35.25')



Mission Bay Blvd. South (35.25')

APN 8721/10
(Block 26a)

LEGEND

— Park Boundary

— Lot Line

POC

POB

Park Boundary

Lot Line

Point of Commencement

Point of Beginning

6/21/06

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

ITC

Mission Bay Project

San Francisco, California

EXHIBIT "B-3.1"

Plat to Accompany Legal Description

sheet 1

of

sheet 1

GROUND LEASE

BY AND BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO

AND

REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

Table of Contents

<u>Section</u>	<u>Page</u>
AGENCY GROUND LEASE	2
Recitals	2
Main Text	3
1. Definitions	3
2. Premises.	7
3. Rent.	8
3.1 Base Rent.	8
3.2 Additional Charges.	8
3.3 Manner of Payment.	8
4. Term.	8
5. Permit to Enter.	9
6. Taxes and Assessments.	9
6.1 Payment of Taxes.	9
6.2 Possessory Interest Tax.	9
7. Use of the Premises.	10
7.1 Permitted Use.	10
7.2 Prohibited Activities.	10
7.3 Premises Must Be Used.	10
7.4 Park Code.	10
7.5	10
8. Compliance with Laws and Regulations.	11
9. Regulatory Approvals.	11
10. Security, Maintenance and Repairs.	13
10.1 Maintenance and Repair Obligations.	13
10.2 City's Right to Inspect and Repair.	13
10.3 Security.	14
11. Utilities and Services.	14
11.1 Utilities.	14
11.2 Services.	14

<u>Section</u>	<u>Page</u>
12. Improvements and Alterations.	14
12.1 Construction Requirements.	14
12.2 Improvements Part of Realty.	15
12.3 Alterations to Improvements.	15
13. Suitability; Acceptance.	15
14. Liens.	16
15. Hazardous Substances.	16
15.1 Requirements for Handling.	16
15.2 Agency Responsibility.	16
15.3 Requirement to Remove.	16
16. Insurance	17
16.1 Required Insurance Coverage.	17
16.2 Claims-Made Policies.	17
16.3 Annual Aggregate Limits.	17
16.4 Payment of Premiums.	18
16.5 Waiver of Subrogation Rights.	18
16.6 General Insurance Matters.	18
17. Damage and Destruction.	19
17.1 Damage and Destruction.	19
17.2 Waiver.	19
18. Eminent Domain.	19
18.1 General.	19
18.2 Partial Takings.	19
18.3 Temporary Takings.	20
18.4 Award; Waiver.	20
19. Indemnity and Exculpation.	20
19.1 Indemnity.	20
19.2 Exculpation.	21
19.3 Hazardous Substances Indemnification.	21
20. Assignment and Subletting; Third Party Beneficiary.	21
20.1 Agency Assignment and Subletting.	21
20.2 City Assignment or Transfer.	22

<u>Section</u>	<u>Page</u>
20.3 Owner Third Party Beneficiary.	22
20.4 Exception to Prohibition on Transfers.	22
20.5 Environmental Provisions in Future Leases.	23
21. Default by Agency.	23
21.1 Event of Default.	23
21.2 City's Remedies.	23
21.3 Damages.	24
21.4. Certain Transfers after Termination.	25
22. Litigation Expenses; Attorneys' Fees.	25
22.1 Litigation Expenses.	25
22.2 Appeals.	25
22.3 City Attorney/Agency General Counsel.	25
23. City's Entry on Premises.	25
23.1 Entry for Inspection.	25
23.2 General Entry.	25
23.3 No Liability.	26
23.4 Non-Disturbance.	26
24. Surrender and Quitclaim.	26
24.1 Surrender.	26
24.2 Quitclaim.	26
25. Holding Over.	27
26. Mineral Reservation.	27
27. City Requirements.	27
27.1 Non-Discrimination.	27
27.2 Program in Diversity/Economic Development Program.	27
27.3 MacBride Principles-Northern Ireland.	27
27.4 Tropical Hardwood and Virgin Redwood Ban.	28
27.5 Pesticide Prohibition.	28
27.6 First Source Hiring Ordinance.	28
27.7 Drug-Free Workplace.	28
27.8 Prohibition of Tobacco Advertising.	28
27.9 Prevailing Wages.	29

<u>Section</u>	<u>Page</u>
28. Notices.	29
(a)	29
(b)	29
29 Time is of the Essence.	31
30. Signs.	31
31. Miscellaneous Provisions.	31
31.1 California Law.	31
31.2 Entire Agreement.	31
31.3 Amendments.	31
31.4 Severability.	31
31.5 No Party Drafter; Captions.	31
31.6 Singular, Plural, Gender.	32
31.7 Successors.	32
31.8 Counterparts.	32
31.9 Waiver.	32
31.10 Further Assurances.	32
EXHIBITS	37

AGENCY GROUND LEASE

THIS AGENCY GROUND LEASE ("Lease"), dated for reference purposes only as of November 16, 2001 by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

B. The Redevelopment Plans for Mission Bay North and Mission Bay South provide for the redevelopment, rehabilitation and revitalization of the North Plan Area and the South Plan Area, respectively, as those terms are defined in the Mission Bay North Redevelopment Plan and the Mission Bay South Redevelopment Plan. The South Plan Area also includes an approximately forty-three (43) acre campus site (the "Campus Site") for the University of California, San Francisco.

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus Development Corporation's and its permitted Transferee's under the North OPA and the South OPA (collectively "Owner") obligations to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and

Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement ("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." Most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) are currently owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Catellus Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. Under the North OPA and the South OPA, the Owner's construction of the Infrastructure (as defined below) described in the Infrastructure Plan (attached to the North OPA and the South OPA, respectively) for the North Plan Area and the South Plan Area (including the public open space, parks, and plazas to be constructed as part of the Improvements) will be in Major Phases, the development of which Major Phases shall be in such order as the Owner deems appropriate.

G. In accordance with the applicable Financing Plan, the Agency will be establishing community facilities districts (collectively, "CFDs", and individually, a "CFD") for the North Plan Area and the South Plan Area, respectively, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. The CFDs for the North Plan Area and the South Plan Area will each issue bonds to permit the financing of Infrastructure (including the public open space, parks and plazas) under the applicable Infrastructure Plan before development in the North Plan Area or the South Plan Area (as the case may be) generates tax increment which may be applied for such purpose. Each of the Financing Plans also provides for the Agency to form CFDs for the purpose of collecting monies to pay for ongoing costs of operation, maintenance, and repair of Open Space Parcels in the North Plan Area and the South Plan Area. Tax increment from the applicable North Plan Area or the South Plan Area and/or the issuance of bonds secured by a pledge of such increment will then be used to make payments on indebtedness of each of the CFDs, refund or defease each of the CFDs' indebtedness, or pay or otherwise reimburse directly the costs of Infrastructure (including the public open space, parks and plazas), or a combination of the foregoing, all as further provided in the applicable Financing Plan for the North Plan Area or the South Plan Area.

H. The Catellus Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Catellus Lease in accordance with the terms thereof in order to convert the

use of the applicable portions of the premises under the Catellus Lease to a permitted use under the Public Trust. This Lease shall become effective over the portion of the Premises which is intended for uses as public open space, parks or plaza for which the Catellus Lease has been terminated, upon such termination of the Catellus Lease.

I. Pursuant to the Catellus Lease, the CLTA and the PLTA, the City and the Agency are entering into this Lease to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to the following:

1. **Definitions** For purposes of this Lease, capitalized terms used herein shall have the meanings set forth in the North OPA and the South OPA unless otherwise defined hereinbelow:

1.1 **"ACPT"** shall have the meaning set forth in Recital D of this Lease.

1.2 **"Agency Leasehold Parcels"** has the meaning set forth in the PLTA and is depicted on Exhibit A, attached hereto and made a part hereof.

1.3 **"Agency Lease Notice"** means the Agency Lease Notice as specified in Section 2.1 hereof.

1.4 **"Agents"** means, when used with reference to either party hereto, the officers, directors, employees, agents and contractors of such party, and their respective heirs, legal representatives, successors and assigns.

1.5 **"Alterations"** means any alterations, installations or additions to any Improvements or to the Premises, exclusive of activities related to the customary maintenance, repair and replacement of Improvements or the Premises consistent with the applicable Infrastructure Plan and other related Plan Documents.

1.6 **"Arts Commission"** shall have the meaning set forth in Section 9(b) of this Lease.

1.7 **"Artwork"** means works of art, including sculpture, bas-relief, murals, mosaics, decorative water features, tapestries or other art works placed upon the Premises.

1.8 **"Base Rent"** means the Base Rent specified in Section 3.1 hereof.

1.9 **"Board"** means the Board of Supervisors of the City and County of San Francisco.

- 1.10 "**Campus Site**" means the Campus Site as specified in Recital B hereof.
- 1.11 "**Catellus Lease**" shall have the meaning set forth in Recital E of this Lease.
- 1.12 "**CLTA**" shall have the meaning set forth in Recital D of this Lease.
- 1.13 "**CFD**" shall have the meaning set forth in Recital G of this Lease.
- 1.14 "**Commencement Date**" means the date on which the Term of this Lease commences as specified in Section 4 hereof.
- 1.15 "**Effective Date**" means the Effective Date as specified in Section 2 hereof.
- 1.16 "**Environmental Laws**" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts ordinances, rules, codes, orders, decrees, directives, guidelines, plans, risk management plans, recorded property covenants and/or restrictions, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future relating to the environment or to any Hazardous Substances (including, without limitation, the Risk Management Plan for the Mission Bay Area as approved by the Regional Water Quality Control Board, all Environmental Covenants and Restrictions on Property, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 *et seq.*) ("CERCLA")), which are or become applicable to Agency or the Premises and/or the North Plan Area and South Plan Area.
- 1.17 "**Expiration Date**" means the Expiration Date specified in Section 4 hereof.
- 1.18 "**Financing Plan**" shall have the meaning set forth in Recital G of this Lease.
- 1.19 "**Handle**" or "**Handling**" means to use, generate, process, produce, package, treat, store, emit, discharge, transport or dispose.
- 1.20 "**Hazardous Substance**" shall mean Hazardous Substance as defined in the North OPA or the South OPA, as applicable.
- 1.21 "**Improvements**" means Improvements as defined in the North OPA or the South OPA, as applicable.
- 1.22 "**Infrastructure**" shall have the meaning defined in the North OPA or South OPA, as applicable.
- 1.23 "**Infrastructure Plan**" shall have the meaning set forth in Recital F of this Lease.
- 1.24 "**Invitees**" when used with respect to either party means the clients, customers, invitees, guests, members, licensees, assignees and subtenants of either party, including members of the general public using the Premises.

1.25 "Laws" means all laws, statutes, ordinances, resolutions, regulations, policies, judicial decisions, proclamations, orders or decrees of any municipal, county, state or federal government or the departments, courts, commissions, boards and officers thereof, or other governmental or regulatory authority with jurisdiction over the Premises or any portion thereof, including, without limitation, all Environmental Laws, and the Port and City Park Codes or any portion thereof, if applicable.

1.26 "Litigation Force Majeure" means any action or proceeding before any court, tribunal, arbitration panel, or other judicial, adjudicative or legislative decision-making body, including any administrative appeal, brought by a third party, (a) which seeks to challenge the validity of any action taken by City or Agency in connection with this Lease, including City or Agency's approval, execution, and delivery of this Lease and its performance hereunder, or of any resolution of, or other action by, the Redevelopment Agency Commission or City's Board of Supervisors, approving Agency's or City's or Port Commissions' execution and delivery of this Lease, the performance of any action required or permitted to be performed by Agency or City hereunder, or any findings upon which any of the foregoing are predicated, or (b) which asserts a claim to any ownership or possessory interest in the Premises adverse to that of City or Agency, or (c) which seeks to restrain, enjoin, condition, prohibit, delay, halt, hinder or prevent construction of the Improvements. Performance by a party hereunder shall be deemed delayed or made impossible by virtue of Litigation Force Majeure during the pendency thereof, and until a judgment, order, or other decision resolving such matter in favor of the party whose performance is delayed has become final and unappealable, provided that (x) the party proceeds with due diligence to defend such action or proceeding or take other appropriate measures to resolve any dispute that is the subject of such action or proceeding, and (y) the Litigation Force Majeure affects the Premises or portion thereof on which the obligation to perform is based. Under no circumstances shall the delay attributable to an event of Litigation Force Majeure extend beyond one (1) year, unless such event of Litigation Force Majeure arises primarily from (i) a procedural defect in Agency or City proceedings, (ii) Agency or City taking any action beyond its powers, (iii) Agency or City taking any action constituting an abuse of discretion, or (iv) after commencement of construction of the Improvements on the Premises.

1.27 "Maintenance CFD" shall have the meaning set forth in Section 10.1 of this Lease.

1.28 "Mission Bay North" shall have the meaning set forth in Recital A of this Lease

1.29 "Mission Bay North Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.30 "Mission Bay South" shall have the meaning set forth in Recital A of this Lease.

1.31 "Mission Bay South Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.32 "North Arts MOU" shall have the meaning set forth in Section 9(b) of this Lease.

1.33 "North ICA" shall have the meaning set forth in Section 8 of this Lease.

1.34 "North OPA" means the North OPA as specified in Recital C hereof.

1.35 "North Plan Area" means the North Plan Area as specified in Recital B.

1.36 "Official Records" means the official records of the City.

1.37 "Open Space Development Parcels" means the Open Space Parcels within the North Plan Area, the South Plan Area, and the Bayfront Park, which are to be developed as open space, parks or plazas pursuant to the North OPA and the South OPA, including without limitation the Port Open Space Parcels (as defined in the PLTA) all of which are shown in Exhibit A, and which from time to time are made subject to this Lease in accordance with Section 2.1, all as shown on Exhibit B attached hereto and made a part hereof.

1.38 "Owner" means the Owner as specified in Recital C hereof and its successors and assigns pursuant to the North OPA or the South OPA, as applicable.

1.39 "Plan Documents" shall have the meaning given to it in Attachment 5 to the Redevelopment Plan for the North Plan Area and the South Plan Area, respectively.

1.40 "PLTA" shall have the meaning set forth in Recital D of this Lease.

1.41 "Permitted Use" means the Permitted Uses set forth in Section 7.1.

1.42 "Premises" means the Open Space Development Parcels set forth in Section 1.37 that have been made subject to this Lease in accordance with Section 2.1, as shown on or to be shown on Exhibit B.

1.43 "Public Trust" means either (i) the public trust for commerce, navigation and fisheries or (ii) the statutory trust imposed by the provisions of the California Statutes of 1968, Chapter 1333, as amended, whichever is applicable.

1.44 "Redevelopment Plans" shall have the meaning set forth in Recital A of this Lease

1.45 "Regulatory Approval" means any authorization, approval or a permit required by any governmental agency having jurisdiction over the Premises, including but not limited to the State Lands Commission and the San Francisco Bay Conservation and Development Commission ("BCDC").

1.46 "Release" when used with respect to a Hazardous Substance means any spilling, leaking, pumping, pouring emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of the Hazardous Substance into the environment.

1.47 "**Rent**" means the Base Rent and any other monetary sum due hereunder.

1.48 "**RMP**" means the "Risk Management Plan" or "RMP" approved by the Regional Water Quality Control Board for the San Francisco Bay Region in May, 1999, covering among other properties, the Premises.

1.49 "**South Arts MOU**" shall have the meaning set forth in Section 9(b) of this Lease.

1.50 "**South ICA**" shall have the meaning set forth in Section 8 of this Lease.

1.51 "**South OPA**" means the South OPA as specified in Recital C hereof.

1.52 "**South Plan Area**" means the South Plan Area as specified in Recital B hereof.

1.53 "**Term**" has the meaning set forth in Section 4 hereof.

2. **Premises.** For the Term and subject to the terms and conditions set forth herein, City hereby agrees to lease to Agency, and Agency hereby agrees to lease from City, the Premises. The City will deliver possession of the Premises in phases as set forth below. The initial phase of the Premises which is subject to this Lease is described in Exhibit B attached hereto. This Lease shall become effective as to each subsequent portion of the Premises described in each such phase on the date (the "Effective Date") that the City and the Agency initial and date a written legal description of the affected portion of the Premises and attach such description to this Lease as part of Exhibit B.

2.1 Provided that Owner has met the conditions of Owner in the North OPA or the South OPA, as applicable, to the Agency obligation to enter into this Lease, City and Agency shall initial and date a written legal description of each subsequent portion of the Premises and attach such description to this Lease as part of Exhibit B within the following time periods after City and Agency have each received a written notice from Owner (an "Agency Lease Notice") specifying the portions of the Open Space Development Parcels that Owner intends to develop as public open space, parks, or plazas in accordance with the Plan Documents:

a. With respect to any Agency Leasehold Parcels (as defined in the PLTA), within sixty (60) days following the receipt of an Agency Lease Notice for such Agency Leasehold Parcel, subject to Litigation Force Majeure;

b. With respect to any other portion of the Premises, within thirty (30) days following the receipt by City and Agency of an Agency Lease Notice for such portion of the Premises, subject to Litigation Force Majeure.

2.2 As to any Trust Land Termination Parcel (as defined in Section 3.3 of the Catellus Lease) terminated by City, acting as the trust administrator of the Public Trust, in order to convert the interim uses thereon to open space uses (all in accordance with the provisions for such termination by City under the Catellus Lease), City and Agency shall initial and date a

written legal description of the affected portion of such Trust Land Termination Parcel and attach such description to this Lease as part of Exhibit B concurrently with the effective date of any such termination. Any portion of the Premises added to this Lease pursuant to this Section 2.2 shall be developed in a manner consistent with the North OPA or the South OPA, as applicable.

2.3 The land described herein as the Premises may contain hazardous materials in soils and in the ground water under the property, and is subject to all of the terms, covenants and conditions described in and imposed by virtue of that certain Covenant and Environmental Restriction on Property ("Covenant and Restriction") made by (or to be made by) City for the benefit of (and in the form previously approved by) the California Regional Water Quality Control Board for the San Francisco Bay Region (the "RWQCB") in order to satisfy one or more conditions imposed by resolution of the RWQCB dated May 20, 1998, to the issuance of a Certificate of Completion under Section 25264 of the California Health and Safety Code. The Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the Premises described herein. This statement is not a declaration that a hazard exists.

3. Rent. Agency shall pay to City, in the manner herein described, the following Rent:

3.1 Base Rent. Base Rent shall be the sum of One Dollar (\$1.00) per year for the entire Premises without regard for the Effective Date as to any portions of the Premises for the Term hereof ("Base Rent"). Agency shall pay Base Rent in advance for the entire Term, in the amount of Forty-Five Dollars (\$45.00), on or before the Commencement Date.

3.2 Additional Charges. In addition to Base Rent, Agency shall pay or cause to be paid any and all real property taxes, possessory interest taxes and other costs, impositions and expenses related to the Premises as provided in Section 6 hereof, plus all other charges related to the Premises otherwise payable by Agency to City hereunder, including, without limitation, all charges for the repair or maintenance of utilities located within the Premises pursuant to Section 11.1 hereof (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".

3.3 Manner of Payment. All payments due from Agency to City under this Lease shall be made to City without any abatement, deduction, set-off, prior notice or demand, except as otherwise expressly provided in this Lease, in lawful money of the United States of America at City's address set forth in Section 28 or to such other person or at such other place as City may from time to time designate by written notice to Agency.

4. Term. Irrespective of the Effective Date for any particular portion of the Premises, the term of this Lease ("Term") shall commence on November 16, 2001 ("Commencement Date"), and shall terminate on the date ("Expiration Date") which is the ~~later~~ ^{earlier} to occur of (i) the date that is forty five (45) years after the Commencement Date or (ii) as to those portions of the Premises within the North Plan Area, the expiration of the Redevelopment Plan for the North Plan Area, and as to those portions of the Premises within the South Plan Area, the expiration of the Redevelopment Plan for the South Plan Area, unless sooner terminated in accordance with the terms hereof.

5. Permit to Enter.

Concurrently with the Effective Date of this Lease for each portion of the Premises, Agency shall grant to Owner permits to enter such portions of the Premises, including the Bayfront Park, substantially in the form attached to the North OPA and/or the South OPA, as applicable, for the purposes of constructing the Improvements for the Open Space Parcels and related Infrastructure, as well as environmental testing and remediation.

6. Taxes and Assessments.

6.1 Payment of Taxes. During the Term of this Lease, Agency agrees to pay or cause to be paid, when due, to the proper authority any and all real property and personal taxes, general and special assessments, license fees, permit fees and all other governmental charges of any kind or nature whatsoever, including without limitation all penalties and interest thereon, levied or assessed on the Premises, on any personal property on the Premises, the leasehold or subleasehold estate or Agency's use of the Premises, whether in effect at the time this Lease is entered into or which become effective thereafter, and all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Premises. Agency shall not permit any such taxes, assessments or other charges to become a defaulted lien on the Premises or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Agency may make, or cause to be made, payment in installments; and provided, further, that Agency may, through such proceeding as Agency considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge so long as such assessment or charge does not become a defaulted lien. In the event of any such contest, Agency shall indemnify and hold City, and its Agents harmless from and against all losses, damages, costs, or expenses, including attorneys' fees, resulting therefrom.

6.2 Possessory Interest Tax. Agency acknowledges and understands that a possessory interest subject to property taxation may be created by this Lease or any sublease or other agreement the Agency may enter into conferring a right to enter, occupy, and/or possess any portion of the Premises. The Agency further acknowledges that property taxes may be levied on such possessory interest and that any party who uses, occupies, or possesses any portion of the Premises may be subjected to the payment of such property taxes. Agency further acknowledges that Agency is familiar with San Francisco Administrative Code Sections 23.38 and 23.39, which require that City submit a report, which includes specified information relating to the creation, renewal, sublease, or assignment of any such possessory interest, to the County Assessor within 60 days after any such transaction. Agency agrees to provide to City the information required by Section 23.39 within thirty (30) days of a request in writing by City to do so. Agency shall cause the provisions of this Section 6.2 to be incorporated into all subleases, permits to enter, and other agreements concerning the use, occupancy, or possession of the Premises that Agency grants to Owner pursuant to Section 5 above.

7. Use of the Premises.

7.1 Permitted Use. The Premises shall be used and occupied only for public open space, public park and public plaza uses (and the construction thereof including, without limitation, the installation of public works of art)(collectively referred to as "Permitted Use"), which open space, parks and plazas shall be improved, maintained and operated consistent with the permissible uses and requirements of the North OPA, South OPA and the applicable Redevelopment Plan and Plan Documents, and the Public Trust use restrictions imposed by the Act (as defined in the PLTA). The Premises may not be used for any other purpose.

7.2 Prohibited Activities. Agency agrees that the following activities, by way of example only and without limitation, are inconsistent with this Lease and are strictly prohibited without the prior written consent of City: (a) any activity, or the maintaining of any object, which is not within the Permitted Use; (b) any activity, or the maintaining of any object, which will in any way increase the existing rate of, or affect or cause a cancellation of, any fire or other insurance policy covering the Premises, any part thereof or any of its contents; (c) any activity or object which will cause damage to the Premises (ordinary wear and tear and typical uses associated with the Permitted Use excepted); (d) any activity which constitutes waste or nuisance to owners or occupants of adjacent properties; (e) any activity which will in any way injure, obstruct or interfere with the rights of owners or occupants of adjacent properties, including rights of ingress and egress; or (f) use of the Premises for sleeping or personal living quarters or overnight camping.

7.3 Premises Must Be Used. Agency shall use the Premises continuously during the Term for the Permitted Use specified in Section 7.1.

7.4 Park Code. Agency may, at its election, pursue all regulatory approvals necessary to extend the provisions of the Park Code of the City and County of San Francisco to the Premises, or portions thereof, provided however, that in no event shall such action (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. City shall cooperate in such action, as long as such cooperation does not result in substantial expense to City that is not otherwise reimbursed by Agency. Notwithstanding the foregoing, if the Port Commission has adopted a Port Park Code extending to portions of the Premises within the Port's jurisdiction (including, without limitation, Bayfront Park), then such portions of the Premises shall be subject to the Port's Park Code and not the City's Park Code..

7.5 (a) In the use and enjoyment of the Premises, Agency shall (i) comply with the RMP for the Premises and other property to the extent applicable to the Premises; (ii) obligate other entities with which it contracts for construction, property maintenance, or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) not interfere with (and ensure that entities with which it contracts do not interfere with)

(including, without limitation, reasonable attorneys' fees and costs and consultants' fees and costs and court costs) of whatever kind or nature, known or unknown, contingent or otherwise (collectively, "Losses") which may arise in connection with the Agency's failure to obtain or comply with the terms and conditions of any Regulatory Approval or with the appeal or contest of any conditions of any Regulatory Approval; provided, however, such indemnity shall exclude any Losses to the extent they arise out of (i) any failure of any conditions that either (A) are designated as the responsibility of the City under the Plan Documents or the Land Transfer Agreements or under the City approvals granted in connection with a Major Phase or Project or (B) the City has otherwise, in its sole discretion, agreed to accept the responsibility for such terms or conditions as provided in the North ICA or the South ICA, as applicable; or (ii) the negligence or willful misconduct of the City.

Agency expressly acknowledges that any soil testing, excavation or boring shall comply with the RMP. City shall cooperate with Agency or Owner in filing for, processing and obtaining all Regulatory Approvals (other than City approvals), and to the extent required by any regulatory agency issuing a Regulatory Approval (other than City), it will join with Agency or Owner as co-applicant in filing, processing and obtaining all Regulatory Approvals required for the construction and operation of the Park, provided, however, that (i) any reasonable costs incurred by City thereby shall be reimbursed by Agency or Owner to City upon demand, and (ii) any conditions or restrictions of such Regulatory Approval shall be in form and substance acceptable to City in its reasonable discretion, unless the condition or restrictions are specifically contemplated as the responsibility of the City under the North ICA, South ICA, the Plan Documents or the City approvals of the entitlements for the North Plan Area or the South Plan Area. Nothing contained herein shall be deemed to limit or otherwise constrain City's discretion, powers and duties as a regulatory agency of the City with certain police powers except as may be limited by the North ICA, the South ICA, and the Redevelopment Plans.

(b) The Parties hereby acknowledge that pursuant to Section 5.103 of the City's Charter as well as that certain Mission Bay South Memorandum of Understanding (the "South Arts MOU") dated January 4, 1999 and that certain Mission Bay North Memorandum of Understanding (the "North Arts MOU") dated January 4, 1999 by and between the Arts Commission of the City and County of San Francisco (the "Arts Commission") and the Agency, the Arts Commission has design review authority over (i) certain structures (as defined in the North Arts MOU and the South Arts MOU) on land owned (or to be owned) by the City, which will be developed as public streets, public open spaces and community facilities and (ii) works of art to be placed on public open space and other City property. The Parties agree that in complying with all Laws pursuant to Section 8 above and in obtaining any Regulatory Approvals as set forth in this Section 9, the Agency shall comply or require Owner to comply with the procedures and requirements set forth in the North Arts MOU or the South Arts MOU, as applicable.

(c) The Parties further acknowledge that the North OPA and the South OPA each contain an attachment entitled "Design Review and Document Approval Procedure". The Agency agrees that it will comply or cause Owner to comply with the procedures set forth in the Design Review and Document Approval Procedure for the design and construction of any Improvements on the Premises.

10. Security, Maintenance and Repairs.

10.1 Maintenance and Repair Obligations. Upon completion of construction of the Improvements on the applicable portions of the Premises and acceptance by City pursuant to the Plan Documents, Agency shall maintain, at no cost or expense to City, in good order, repair and condition, the applicable portions of the Premises and all improvements thereon, consistent with the requirements of the applicable Mission Bay North or South Financing Plans, except where Owner fails to pay the special taxes levied in the maintenance Community Facilities Districts (collectively, "Maintenance CFDs," and individually, a "Maintenance CFD") to be formed pursuant to the applicable Mission Bay North or South Financing Plans despite the Agency's diligent efforts to collect the same.

10.2 City's Right to Inspect and Repair. (a) In the event that damage or deterioration to the Premises or any portion thereof which is Agency's obligation to maintain results in the same not meeting the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then Agency shall have the independent responsibility for, and shall promptly undertake, maintenance or repair of the Premises and complete the same with due diligence to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder). City may make periodic inspections of the Premises and may advise Agency when maintenance or repair of the Premises is required, but such right of inspection shall not relieve Agency of its independent responsibility to maintain such Premises and Improvements in accordance with the applicable Mission Bay North or South Financing Plan to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

(b) If the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then City may deliver a written notice of default to the Agency regarding such default under this Lease. The notice of default shall state with reasonable specificity the nature of the alleged default, the provisions under which the default is claimed to arise, and the manner in which the failure of performance may be satisfactorily cured. Upon receipt of such notice of default, the Agency shall commence within a reasonable time not to exceed sixty (60) days to cure or remedy such default, and shall thereafter pursue such cure or remedy to completion.

i. Upon delivery of a notice of default, the City and the Agency, together with the Owner, shall promptly meet to discuss the default and the manner in which the Agency can cure or remedy the same so as to satisfy the City's concerns. The City, Agency and Owner shall continue meeting regularly, discussing, investigating and considering alternatives for a period of sixty (60) days from the delivery of the notice of default. If, at the end of the meet and confer period, the City no longer holds the view that the Agency is in default, the City shall issue a written acknowledgment of the Agency's cure or remedy of the matter which was the subject of the notice of default.

ii. If (A) action is not diligently taken or pursued, or the default shall not be cured or remedied within a reasonable time or (B) the Agency refuses to meet and discuss as described above, then in addition to any other remedy available to City, City may make such maintenance or repairs at Agency's expense and Agency shall immediately upon invoice reimburse City therefor to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

iii. The provisions of this Section 10.2(b) shall apply only in the event the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan. Nothing in this Section 10.2(b) shall limit the rights or remedies of the City as set forth under this Lease.

10.3 Security. Agency will provide security for the Premises at such frequencies and to such standards, and consistent with funding available to it under the Maintenance CFD, as may be appropriate for the type of urban open space, plazas, and parks developed pursuant to the Plan Documents. Agency will use its best efforts to prevent loitering and unlawful activity in or on the Premises.

11. Utilities and Services.

11.1 Utilities. Agency shall make arrangements and shall pay all charges for all utilities to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, gas, electrical, water, sewer and telecommunications services. Agency shall pay all charges for said utilities. Agency shall coordinate with the City's Department of Telecommunications and Information Services ("DTIS") regarding any and all telecommunications services to the Premises.

11.2 Services. Agency shall make arrangements and shall pay all charges for all services to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, garbage and trash collection, landscape maintenance service and cleaning service, consistent with the Financing Plans.

12. Improvements and Alterations.

12.1 Construction Requirements. All Improvements to the Premises made by or on behalf of Agency or Owner shall be performed in a manner consistent with the North OPA or South OPA, as applicable, the North ICA or South ICA as applicable, and the applicable Financing Plan. In addition, after completion of the initial construction of the Improvements, Agency shall notify City and Owner in writing of any material Alterations, including Artwork, no later than thirty (30) days prior to commencement of construction or placement in the Premises of such Alterations and shall obtain City and Owner's prior written consent to the change, to the extent contemplated under Section 12.3.

12.2 Improvements Part of Realty. All Alterations or Improvements to the Premises made by or on behalf of Agency shall be owned by City and shall, at the end of the Term hereof, remain on the Premises without compensation to Agency, unless City first waives its right to the Alterations or Improvements in writing. Notwithstanding the foregoing, Agency shall be entitled to remove all personal property that can be removed without substantial injury to the Premises and all Artwork from the Premises at the termination of the Term hereof. Agency shall repair, at its own expense, in good workerlike fashion any damage occasioned by the removal of any such Artwork or personal property.

12.3 Alterations to Improvements. Following construction of the initial Improvements on any portion of the Premises contemplated by the North OPA, South OPA and North or South Redevelopment Plans, as applicable, nonmaterial Alterations (other than ordinary repair and maintenance) shall be made to the applicable portions of the Premises without (i) the written consent of City and, (ii) if the improvements would be inconsistent with the Redevelopment Requirements, would increase costs under the Maintenance CFD or would reduce the availability of Net Available Increment for Infrastructure pursuant to the Financing Plan, the prior written consent of Owner. If Agency constructs any material Alterations to the Premises without City's or Owner's prior written consent to the extent required pursuant to the preceding sentence, then, in addition to any other remedy available to City, City may require Agency to remove, at Agency's expense, any or all such Alterations and to repair, at Agency's expense and in good workerlike fashion, any damage occasioned thereby. Agency shall pay to City all special inspection fees as set forth in the San Francisco Building Code for inspection of work performed without required permits, or any replacement code consistent with North ICA or South ICA adopted for City use.

13. Suitability; Acceptance. Agency acknowledges that neither City nor City's Agents made any representations or warranties concerning the Premises, including without limitation, the environmental, geotechnical or seismological condition thereof. By taking possession of the Premises, Agency shall be deemed to have inspected the Premises and accepted the Premises in an "As-Is" condition and as being suitable for the Permitted Uses as specified herein. The Agency further acknowledges that the rights of the Agency hereunder are subject to the construction and operation of railroad facilities if needed by the City for freight operations serving Piers 48 and 50 and for continued freight access to Pier 80, all as described in Section I.C.6 of the Mission Bay South Infrastructure Plan. Agency shall cooperate with City to allow for the construction and operation of such rail facilities if required under the Mission Bay Infrastructure Plan.

14. Liens. Agency shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Agency or its Agents. In the event that Agency shall not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record, City shall have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by City for such purpose and all reasonable expenses incurred by City in connection therewith shall be payable to City by Agency within thirty (30) days following written demand by City.

15. Hazardous Substances.

15.1 Requirements for Handling. During the construction of the initial Improvements, all Handling of Hazardous Substances shall be governed by all applicable Environmental Laws, the RMP and any applicable Permit to Enter. Following completion of the initial Improvements to the Premises, neither Agency, Owner nor their respective Agents or Invitees, shall Handle in, on or about the Premises any Hazardous Substance without the prior written consent of City, which consent shall not be unreasonably withheld so long as Agency demonstrates to City's reasonable satisfaction that such Hazardous Substance (i) is necessary to Agency's or Owner's improvement, operation or maintenance of the Premises or customarily used in connection with the Permitted Use, and (ii) will be Handled in a manner which strictly complies with all Environmental Laws, and (iii) will not materially increase the risk of fire or other casualty to the Premises. Notwithstanding the foregoing, without City's prior written consent, Agency and Owner may Handle on the Premises routine supplies and materials in such limited amounts as are customarily used for general park cleaning and maintenance purposes or any Hazardous Substances required to be used, in connection with the construction of the initial Improvements to the Premises consistent with the Plan Documents, so long as such Handling is (a) at all times in full compliance with all Environmental Laws and (b) pursuant to approvals obtained from all regulatory agencies having jurisdiction over such Handling of Hazardous Substances.

15.2 Agency Responsibility. Subject to the restrictions set forth in Section 15.1 hereof, Agency shall Handle all Hazardous Substances discovered on the Premises during the Term of this Lease or introduced on the Premises by Agency, its Agents or Invitees, in compliance with all Environmental Laws. Agency shall not be responsible for the safe Handling of Hazardous Substances introduced on the Premises during the Term of this Lease by City or its Agents. Agency shall protect its employees and the general public in accordance with all Environmental Laws. City may from time to time request, and Agency shall be obligated to provide, information reasonably adequate for City to determine that any and all Hazardous Substances are being Handled in a manner which complies with all Environmental Laws. City shall have the right to inspect the Premises for Hazardous Substances at reasonable times, pursuant to Section 23.1 hereof.

15.3 Requirement to Remove. Prior to termination of this Lease, Agency, at its sole cost and expense, shall remove any and all Hazardous Substances introduced in, on, under or about the Premises by Agency, its Agents or Invitees. Further, Agency, at its sole cost and expense, shall remove any Hazardous Substance discovered on the Premises during the Term of

this Lease which is required to be removed pursuant to the RMP or the applicable provisions of the EIRP, provided however, that Agency shall not be obligated to remove any Hazardous Substance introduced onto the Premises during the Term of this Lease by the City or its Agents. Prior to the termination of this Lease, City and Agency shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Substances existing on the Premises which Agency is required to remove.

16. Insurance

16.1 Required Insurance Coverage. Agency, at no cost to the City, shall maintain, or cause to be maintained, throughout the Term of this Lease, the following insurance:

(a) **General Liability Insurance.** Comprehensive or commercial general liability insurance, with limits not less than Five Million Dollars (\$5,000,000.00) each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, independent contractors, broadform property damage, personal injury, products and completed operations, and fire damage and legal liability with limits not less than Two Hundred Fifty Thousand Dollars (\$250,000.00). The Agency reserves the right to satisfy the requirements of this Section 16.1(a) through self-insurance to the extent that Agency elects to use Agency employed staff to maintain the Premises. However, Agency shall require as a condition to any contract with a third party to provide maintenance services to the premises that the contractor will provide the insurance required by this section 16.1(a).

(b) **Workers Compensation Insurance.** Workers Compensation Insurance with employer's liability limit not less than One Million Dollars (\$1,000,000.00) for each accident, on employees eligible for each. In the event Agency is self-insured for the insurance required pursuant to this Section 16.1(b), it shall furnish to City a current Certificate of Permission to Self-Insure signed by the Department of Industrial Relations, Administration of Self-Insurance, Sacramento, California.

(c) **Required by Law.** Such other insurance as required by Law.

16.2 Claims-Made Policies. If any of the insurance required in Section 16.1 is provided under a claims-made form of policy, Agency shall maintain such coverage continuously throughout the Term and without lapse for a period of three years beyond the termination of this Lease, to the effect that should occurrences during the Term give rise to claims made after termination of this Lease, such claims shall be covered by such claims-made policies.

16.3 Annual Aggregate Limits. If any of the insurance required in Section 16.1 is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

16.4 Payment of Premiums. Agency shall pay or cause to be paid at no cost to City the premiums for maintaining all required insurance.

16.5 Waiver of Subrogation Rights. The parties release each other, and their respective authorized representatives, from any claims for damage to the Premises or to the fixtures, personal property, Improvements or Alterations of either City or Agency in or on the Premises which are caused by or result from risks insured against under any property insurance policies carried by the parties and in force at the time of any such damage, to the extent such claims for damage are paid by such policies. Each party shall cause each property insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against the other party in connection with any damage covered by any policy.

16.6 General Insurance Matters.

(a) All liability insurance policies required to be maintained by Agency hereunder shall contain a cross-liability clause, shall name as additional insureds "the City and County of San Francisco and the San Francisco Port Commission and their officers, directors, employees and agents," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Lease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) All insurance policies required to be maintained by Agency hereunder shall be issued by an insurance company or companies reasonably acceptable to City. Agency's compliance with this Section shall in no way relieve or decrease Agency's liability under this Lease. It is understood that the Agency may comply with the provisions of this Section 15.6(b) through its membership in the Bay Cities Joint Powers Insurance Authority or other program of self-insurance or reinsurance reasonably acceptable to City.

(c) All insurance policies required to be maintained by Agency hereunder shall provide for thirty (30) days prior written notice of cancellation or intended non-renewal or reduction in coverage to Agency and City. Such notice shall be given in accordance with the notice provisions of Section 28 of this Lease.

(d) Agency shall deliver to City certificates of insurance in a form satisfactory to City evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Agency shall, upon City's request, promptly furnish City with a complete copy of any insurance policy required hereunder.

(e) Not more often than every year and upon not less than sixty (60) days prior written notice, City may require Agency to increase the insurance limits set forth in Section 16.1 above if, in the reasonable judgment of the City's Risk Manager, it is the

general commercial practice in San Francisco or in other cities or counties around the country to carry insurance for facilities similar to the Premises in amounts substantially greater than those amounts carried by Agency with respect to risks comparable to those associated with the use of the Premises.

(f) Throughout the Term, should Agency's use of the Premises change to the extent that different insurable risks are created, City reserves the right to adjust the insurance requirement hereunder in accordance with any such changes in use.

17. Damage and Destruction.

17.1 Damage and Destruction. If the Premises are damaged by fire or other casualty, then to the extent that insurance proceeds are available for such purpose, Agency shall diligently repair the same and restore the Premises to its condition immediately prior to such casualty, and this Lease shall remain in full force and effect. In the event Agency determines that insurance proceeds are inadequate or unavailable to so repair the Premises to a similar level adequate for use as a public park, plaza or open space Agency shall immediately notify City in writing thereof ("Repair Notice"). On or before the earlier of fifteen (15) days after the date of the Repair Notice or thirty (30) days after the event of casualty, Agency and City shall meet and confer to allocate the responsibility of repair. In the event the parties are unable to agree upon their respective repair obligations within thirty (30) days of the first of such meetings, then either party may elect to terminate this Lease as to the damaged portion of the Premises by written notice specifying the date of such termination. In the event this Lease is terminated by either party in accordance with this Section 17.1, then any unapplied insurance proceeds paid for repair of such casualty shall be payable to City. From and after such termination the City shall not allow the Premises to be utilized for any purpose inconsistent with the applicable Redevelopment Plan or Plan Documents.

17.2 Waiver. City and Agency intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, City and Agency each hereby waives the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California or under any similar Law now or hereafter in effect.

18. Eminent Domain.

18.1 General. If all or part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the date when title or the right to possession vests in the condemnor ("Date of Taking").

18.2 Partial Takings. If (a) a part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, and (b) Agency is reasonably able to continue the operation of the public parks, plazas and/or open space on the Premises or applicable portions thereof, then this Lease shall remain in effect as to said portion of the Premises remaining.

18.3 Temporary Takings. Notwithstanding anything to the contrary contained in this Section, if a taking occurs with respect to all or any part of the Premises for a limited period of time, this Lease shall remain unaffected thereby and Agency shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease to the extent reasonably possible in light of the portion of the Premise not so taken. Agency shall be entitled to receive that portion of any award representing compensation for the use or occupancy of the Premises during the Term up to the total Rent owing by Agency for the period of the taking, and City shall be entitled to receive the balance of any award.

18.4 Award; Waiver. City shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with any taking or conveyance hereunder, and Agency shall have no claim against City or otherwise for the value of any unexpired term of this Lease. Notwithstanding the foregoing, Agency shall have the right to make a claim, and to receive any award specifically made to Agency, including, without limitation, any award made to Agency for the unamortized value of any Alterations or Improvements, its moving expenses and for loss or damage to Agency's trade fixtures, equipment and movable furniture. City and Agency intend that the provisions of this Section govern fully in the event of condemnation and accordingly, City and Agency each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar law now or hereafter in effect. In the event of a partial taking, Agency shall restore the Premises to a unified whole; except that the cost of restoring the Premises to a unified whole shall be payable (1) first, from any Agency award for the value of Improvements and Alterations, and, in the event the cost of restoring the Premises to a unified whole should exceed such amount, then, (2) second from any award made to City. Any excess costs not covered by such awards shall be the sole responsibility of Agency.

19. Indemnity and Exculpation.

19.1 Indemnity. Agency shall indemnify and hold City, and its Agents harmless from, and, if requested, shall defend them against any and all Losses (as defined in Section 9 above) arising directly or indirectly out of: (a) any injury to or death of any person, including employees of Agency, or damage to or destruction of any property occurring in, on or about the Premises, or any part thereof, from any cause whatsoever, or (b) any default by Agency in the observance or performance of any of the terms, covenants or conditions of this Lease, or the use, occupancy or condition of the Premises or the activities therein by Agency, its Agents, or Invitees' activities therein. This indemnity shall be enforceable regardless of the negligence of City, and regardless of whether liability without fault is imposed or sought to be imposed on City. This indemnity shall be enforceable except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this Lease. This indemnity includes all such loss, damage, injury, liability or claims as described above, loss predicated in whole or in part, upon active or passive negligence of City or its Agents. This indemnity shall exclude claims, liability, damage or loss resulting from the gross negligence or willful misconduct of City or its Agents which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, Agency, its Agents or Invitees.

In addition to Agency's obligation to indemnify City, Agency specifically acknowledges

and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent. Agency's obligation to defend shall arise at the time such claim is tendered to Agency by City and shall continue at all times thereafter.

The foregoing indemnity obligation of Agency shall include without limitation, indemnification from all loss and liability, including attorney's fees, court costs and all other litigation expenses. This indemnification by Agency shall begin from the first notice that any claim or demand is or may be made. The provisions of this section shall survive the termination of this Lease with respect to any damage, destruction, injury or death occurring prior to such termination.

19.2 Exculpation. Agency, as a material part of the consideration to be rendered to City, hereby waives any and all claims against City and its Agents, and agrees to hold City and its Agents harmless from any claims for damages to goods, wares, merchandise, or equipment and by persons in, upon or about said Premises for any cause arising at any time, including without limitation all claims arising from the joint or concurrent negligence of City or its Agents, but excluding any grossly negligent or intentionally harmful acts committed solely by City or its Agents.

19.3 Hazardous Substances Indemnification. Agency shall indemnify, protect, defend and hold harmless, City, its employees, officers, agents, from any Claims resulting from any Release or threatened Release of a Hazardous Substance to the extent that such Release or threatened Release is directly created or aggravated by the specific activities undertaken by Agency pursuant to this Lease or by any breach of or failure to duly perform or observe any term, covenant or agreement in this Lease to be performed or observed by the Agency including the covenants of Sections 7.5(a) and (b) above; provided, however, that Agency shall have no liability, nor any obligation to defend, hold harmless or indemnify any person for any such Claim resulting from (x) the discovery or disclosure or any pre-existing condition, (y) the movement of soil or groundwater or other activity undertaken by Agency, which concerns Hazardous Substances existing prior to Agency's entry upon the Premises so long as such movement or activity is consistent with the RMP, or (z) the negligence or willful or other actionable misconduct of City or its agents or invitees.

20. Assignment and Subletting; Third Party Beneficiary.

20.1 Agency Assignment and Subletting. Agency shall not make or permit any direct or indirect assignment, conveyance, alienation, sublease, or other transfer (collectively, "Transfer") of Agency's interest in this Lease or in the Premises, or any part thereof or interest therein without the prior written consent of City and Owner, given or withheld in their sole and absolute discretion. Any Transfer of this Lease without the prior written consent of City and Owner shall constitute an incurable breach by Agency and shall be void. Notwithstanding the foregoing, in no event may Agency Transfer all or any portion of its interest in the Premises if such Transfer would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted

20.3 Owner Third Party Beneficiary. Owner is hereby made a third party beneficiary of this Lease, and shall be entitled to enforce the parties' obligations hereunder, subject to the notice and cure provisions contained under this Lease. Except for Owner, there are no other third party beneficiaries to this Lease. This Lease shall not be amended or terminated without the consent of Owner, which consent shall not be unreasonably withheld, so long as the amendment or termination would not: (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, other than recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection and attorney's fees. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, except solely for recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection to the extent provided in this Lease and attorneys' fees.

http://www.change/Don_Miller_Index-P-1 Page 14 and Green-4 HML PHILIP 200

20.5 Environmental Provisions in Future Leases. (a) Subject to the provisions of this Section 20, the Agency shall include the following statement in all future leases relating to all or any portion of the Premises:

"The land described herein may contain hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction (Covenant and Restriction) dated as of February 3, 2000, and recorded on March 21, 2000, in the Official Records of San Francisco County, California, as Document No. G748551-00, which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists."

(b) Subject to the provisions of this Section 20, in all future subleases, the Agency will provide a copy of the RMP or its relevant provisions prior to execution of such sublease agreements and ensure that such sublease agreements contain covenants that each sublessee (i) will comply with the RMP (to the extent the RMP applies to the sublessee's activities); (ii) will obligate other entities with which the sublessee contracts for construction, property maintenance or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) will refrain from interfering with City's or Agency's compliance with the RMP.

21. Default by Agency.

21.1 Event of Default. The occurrence of any one or more of the following events shall constitute a default by Agency:

(a) Failure by Agency to pay when due any Rent within 30 days after notice has been given by City to Agency;

(b) Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given by City to Agency. If the default cannot reasonably be cured within 30 days, Agency shall not be in default of this Lease if Agency commences to cure the default within such thirty (30) day period and diligently and in good faith continues to cure the default; and/or

Owner in its sole and absolute discretion and without any obligation to do so may cure any default of Agency hereunder. Notices given under this section shall demand that Agency perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless City so elects in the notice. A copy of all notices given under this section shall be given to Owner concurrently with the notice to Agency.

21.2 City's Remedies. Upon default by Agency, City shall, in addition to any other remedies it may have at law or in equity, and without further notice or demand of any kind to Agency or to any other person, have the following remedies:

(a) Agency's Right to Possession Not Terminated. City may continue this Lease in full force and effect after Agency's breach, and so long as City does not terminate Agency's right to possession, City may enforce all of its rights and remedies under this Lease, including the right to collect Rent when due and City may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation an action for damages and/or proceedings to compel specific performance by Agency. No act by City allowed by this subsection shall terminate this Lease unless City notifies Agency that City elects to terminate this Lease. After Agency's default and for as long as City does not terminate Agency's right to possession of the Premises, if Agency obtains City's and Owner's consent, which may be withheld in their sole and absolute discretion, Agency shall have the right to assign or sublet its interest in this Lease, but Agency shall not be released from liability.

(b) Termination of Agency's Right to Possession. City may terminate Agency's right to possession of the Premises at any time. No act by City other than giving notice of termination to Agency shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on City's initiative to protect City's interest under this Lease shall not constitute a termination of Agency's right to possession.

(c) City's Right to Cure Agency's Default. City, at any time after Agency commits a default, may, at City's sole option, cure the default at Agency's cost. If City at any time, by reason of Agency's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities, (including without limitation, attorneys' fees), all such sums, costs, damages or liabilities paid by City shall be due immediately from Agency to City at the time the sum is paid, and if paid by Agency at a later date shall bear interest at the lesser of ten percent (10%) or the maximum non-usurious rate City is permitted by Law to charge from the date such sum is paid by City until City is reimbursed by Agency.

The remedies set forth in this Section 21.2 are not exclusive; they are cumulative and in addition to any and all other rights or remedies of City now or later allowed by Law. Agency's obligations hereunder shall survive any termination of this Lease.

21.3 Damages. If City elects to terminate this Lease under Section 21.2(b), then in addition to any other damages City may be entitled to at law or in equity, City has the rights and remedies to recover from Agency any amounts necessary to compensate City for the detriment proximately caused by Agency's default, or which, in the ordinary course of events, would likely result, including, but not limited to, attorneys' fees and court costs, the costs of carrying the Premises such as repairs, maintenance, operation of Premises in accordance with Permitted Uses (including without limitation, costs of staff for such operation of the Premises), taxes and insurance premiums, utilities, security precautions and the reasonable costs and expenses incurred by City in (i) retaking possession of the Premises; (ii) cleaning and making repairs and alterations to the Premises, and (iii) removing, transporting and storing any of Agency's property left at the Premises (although City shall have no obligation so to do). Efforts by City to mitigate the damages caused by Agency's breach of the Lease do not waive City's rights to recover

damages upon termination.

21.4. Certain Transfers after Termination. Following any termination of this Lease and to the term of the Redevelopment Plans, the City covenants for the benefit of Owner that the City shall take no action with respect to the Premises (including placing jurisdiction over the Premises in any City department) which would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or applicable Plan Documents or (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, (v) reduce the density or intensity of the development contemplated under the applicable Plan Documents, or (vi) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. The obligations of the City hereunder shall survive any termination of the Lease for the term of the Redevelopment Plans.

22. Litigation Expenses; Attorneys' Fees.

22.1 Litigation Expenses. If either party hereto brings an action or proceeding (including any cross-complaint or counterclaim) against the other party by reason of a default, or otherwise arising out of this Lease, the prevailing party in such action or proceeding shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "Prevailing party" within the meaning of this Section 22 shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

22.2 Appeals. Attorneys' fees under this Section 22 shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal to a judgment arising from an action described in Section 22.1.

22.3 City Attorney/Agency General Counsel. For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney and of the Agency General Counsel's Office shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

23. City's Entry on Premises.

23.1 Entry for Inspection. City and its authorized Agents shall have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Agency or Agency's Agents are present on the Premises, for the purpose of inspecting the Premises to determine whether the Premises are in good condition and whether Agency is complying with its obligations under this Lease.

23.2 General Entry. In addition to its rights pursuant to Section 23.1, City and its

authorized Agents shall have the right to enter the Premises at all reasonable times for any reasonable purpose, including, but not limited to the following:

(a) To perform any services which City has the right or obligation to perform;
and/or

(b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease.

23.3 No Liability. City shall not be liable in any manner, and Agency hereby waives any claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, (Rent paid at Commencement Date), arising out of City's entry onto the Premises as provided in this Section 23, except damage resulting solely from the gross negligence or willful misconduct of City or its authorized representatives.

23.4 Non-Disturbance. City shall use its best efforts to conduct its activities on the Premises as allowed in this Section 23 in a manner which, to the extent reasonably practicable, will cause the least possible inconvenience, annoyance or disturbance to Agency.

24. Surrender and Quitclaim.

24.1 Surrender. Upon termination of this Lease Agency shall surrender to City the Premises and all Improvements thereon in good condition (except for ordinary wear and tear occurring after the last necessary maintenance made by Agency), except for Artwork or personal property which Agency has the right to remove under the provisions of Section 12.2. Agency shall repair any damage to the Premises for which Agency is liable under this Lease.

City may elect to retain or dispose of any personal property which Agency does not remove from the Premises as allowed or required by this Lease by giving at least ten (10) days' prior written notice of such election to Agency. Agency waives all claims against City for any damage to Agency resulting from City's retention or disposition of any personal property or Artwork left on the Premises after the expiration of the Term hereof. Agency shall be liable to City for all costs incurred by City for storing, removing or disposing of any Artwork or Agency's personal property.

If Agency fails to surrender the Premises as required by this Section 24.1, Agency shall hold City harmless from all damages resulting from Agency's failure to surrender the Premises, including, but not limited to, claims made by a succeeding tenant resulting from Agency's failure to surrender the Premises. No act or conduct of City, shall constitute an acceptance of the surrender of the Premises by Agency before the expiration of the Term. Only a notice from City to Agency shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

24.2 Quitclaim. Upon termination of this Lease, the Premises shall automatically, and without further act or conveyance on the part of Agency or City, become the property of City, free and clear of all liens (including without limitation, any liens created pursuant to the CFD)

and leasehold mortgages (which are expressly prohibited) and without payment therefor by City and shall be surrendered to City upon such date. Upon or at any time after the date of termination of this Lease, if requested by City, Agency shall promptly deliver to City, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by City to evidence or otherwise effect the termination of Agency's leasehold estate hereunder and to effect such transfer or vesting of title to the Premises or any Improvements or Alterations that City agrees are to remain part of the Premises pursuant to the provisions of Section 12.3 above.

25. Holding Over. Any holding over after the expiration of the Term with the consent of City shall be deemed a month-to-month tenancy and shall be upon each and every one of the terms, conditions and covenants of this Lease, except that, at City's election, the Rent shall be adjusted to the then current market rate as reasonably determined by City. Either party may cancel said month-to-month tenancy upon thirty (30) days' written notice to the other party.

26. Mineral Reservation. The State of California, pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying those portions of the Premises located within the jurisdiction of the Port. In accordance with the provisions of said Statutes, City and Agency shall and hereby do grant to the State of California the right to explore, drill for and extract said subsurface minerals, including oil and gas deposits, from the Mineral Reservation area located by the California Grid System as more particularly described as follows: [to be inserted] [only for leases within Port's jurisdiction].

27. City Requirements.

27.1 Non-Discrimination. Agency shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B.2 and 12C.2 of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by this reference and made a part hereof as though fully set forth herein. Agency agrees to comply with the terms of the North OPA, South OPA, Redevelopment Plans, and Plan Documents.

27.2 Program in Diversity/Economic Development Program. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including without limitation, the First Source Hiring and Prevailing Wage requirements, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

27.3 MacBride Principles-Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride

name of a company producing selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

27.9 Prevailing Wages. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including the requirement to pay prevailing wages, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

**Acting by
And through
Its Board of
Supervisors:**

**Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880**

Copy to:

**City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place,
Room 234**

San Francisco, CA 94102-4682
Attention: Donnell W. Choy
Deputy City Attorney
FAX NO: (415) 554-4755
Telephone No: (415) 554-4736

Acting by
And through
Its Port:

Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400

Copy to:

City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Neil Sekhri
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0484

Address for Agency:

San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director

Copy to:

Agency General Counsel's Office
San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454

Address for Owner:

Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105

Atten: Asset Management

Copy to: Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105
Atten: General Counsel

And to: Catellus Operating Limited Partnership
255 Chanel Street
San Francisco, CA 94107
Atten: Mission Bay Development Office

29 Time is of the Essence. Time is of the essence as to each and every provision of this Lease.

30. Signs. Except as permitted under the North OPA and the South OPA, respectively, and the Master Signage and Streetscape Plans, Agency shall not have the right to place, construct or maintain any sign, advertisement, awning, banner or other exterior decoration on the Premises without City's prior written consent.

31. Miscellaneous Provisions.

31.1 California Law. This Lease shall be construed and interpreted in accordance with the Laws of the State of California and City's Charter.

31.2 Entire Agreement. This Lease and its Exhibits contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Lease. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to such subject matter are superseded in total by this Lease. No prior drafts of this Lease or changes from those drafts to the executed version of this Lease shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Lease.

31.3 Amendments. No amendment of this Lease or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto and approved in writing by Owner.

31.4 Severability. Except as is otherwise specifically provided for in this Lease, invalidation of any provision of this Lease, or of its application to any person, by judgment or court order, shall not affect any other provision of this Lease or its application to any other person or circumstance, and the remaining portions of this Lease shall continue in full force and effect, unless enforcement of this Lease as invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purposes of this Lease.

31.5 No Party Drafter; Captions. The provisions of this Lease shall be construed as a whole according to their common meaning and not strictly for or against any party in order to achieve the objectives and purposes of the parties. Any caption preceding the text of any section.

paragraph or subsection or in the table of contents is included only for convenience of reference and shall be disregarded in the construction and interpretation of this Lease.

31.6 Singular, Plural, Gender. Whenever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, and vice versa.

31.7 Successors. The terms, covenants, agreements and conditions set forth in this Lease shall bind and inure to the benefit of City and Agency and, except as otherwise provided herein, their personal representatives and successors and assigns.

31.8 Counterparts. For convenience, the signatures of the parties to this Lease may be executed and acknowledged on separate pages which, when attached to this Lease, shall constitute this as one complete Lease. This Lease may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same Lease.

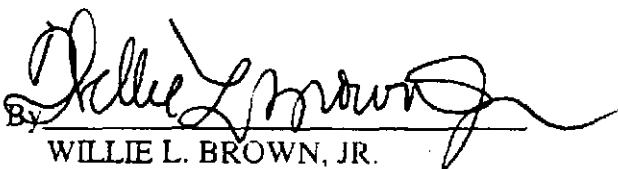
31.9 Waiver. No failure by City to insist upon the strict performance of any obligation of Agency under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of City's rights to demand strict compliance with such term, covenant or condition. City's consent to or approval of any act by Agency requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act by Agency. Any waiver by City of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

31.10 Further Assurances. The parties hereto agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to carry out the mutual intent of the parties as expressed in this Lease.

IN WITNESS WHEREOF, CITY and Agency execute this Lease at San Francisco, California, as of the date set forth above.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

By 
WILLIE L. BROWN, JR.
Mayor

AGENCY:

Redevelopment Agency a
of the City and County of
San Francisco

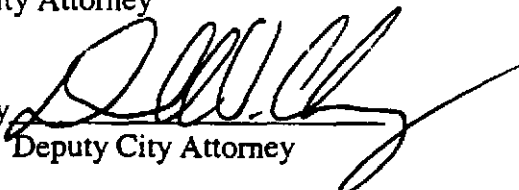
By  12/12/03
MARCIA ROSEN
Deputy Executive Director

By 

Acting Director of Property

APPROVED AS TO FORM:

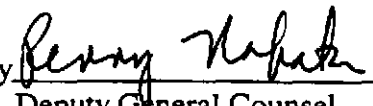
DENNIS J. HERRERA,
City Attorney

By 

Deputy City Attorney

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By 

Deputy General Counsel

SAN FRANCISCO PORT COMMISSION

By 
DOUGLAS F. WONG *For Douglas Wong*
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By 
Deputy City Attorney

CONSENT

The undersigned, on behalf of Owner, in executing this Lease for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Catellus Lease; provided, however, that nothing contained herein shall be deemed to impose any obligations or liabilities upon Owner under the Lease, hereby consents to the foregoing Ground Lease.

CATELLUS OPERATING LIMITED PARTNERSHIP,
a Delaware limited partnership (as successor by merger
to Catellus Development Corporation)

By: Catellus Development Corporation,
a Delaware corporation (formerly known as Catellus SubCo, Inc.),
Its: Sole general partner,

By: Catellus Urban Development Corporation, a Delaware
corporation, its authorized agent

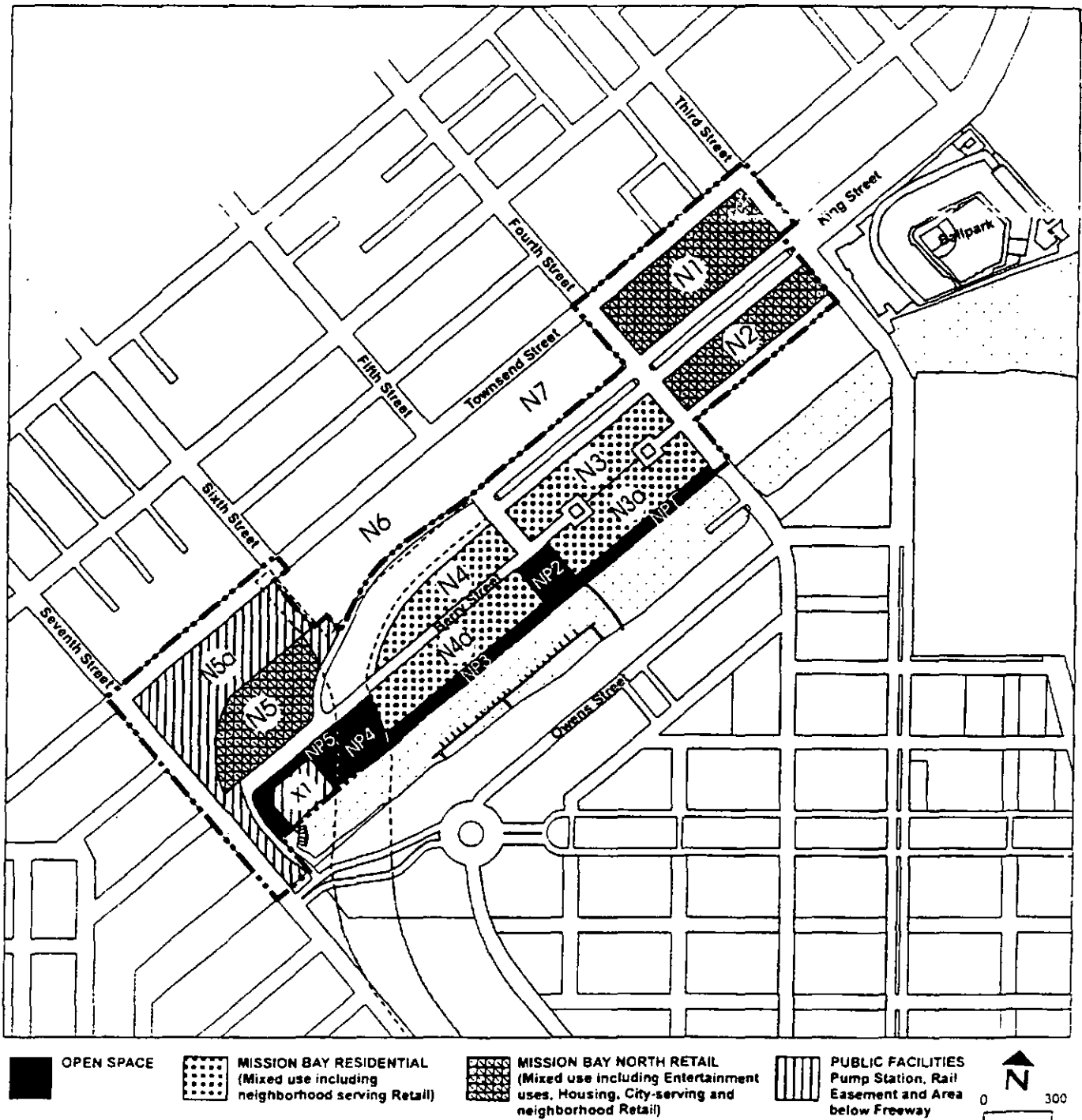
By: 
Name: ERIC HARRISON
Title: SP. VICE PRESIDENT

EXHIBIT "A"

Open Space Development Parcels

EXHIBIT A

Page 1 of 2



MISSION BAY LAND USE PLAN - NORTH

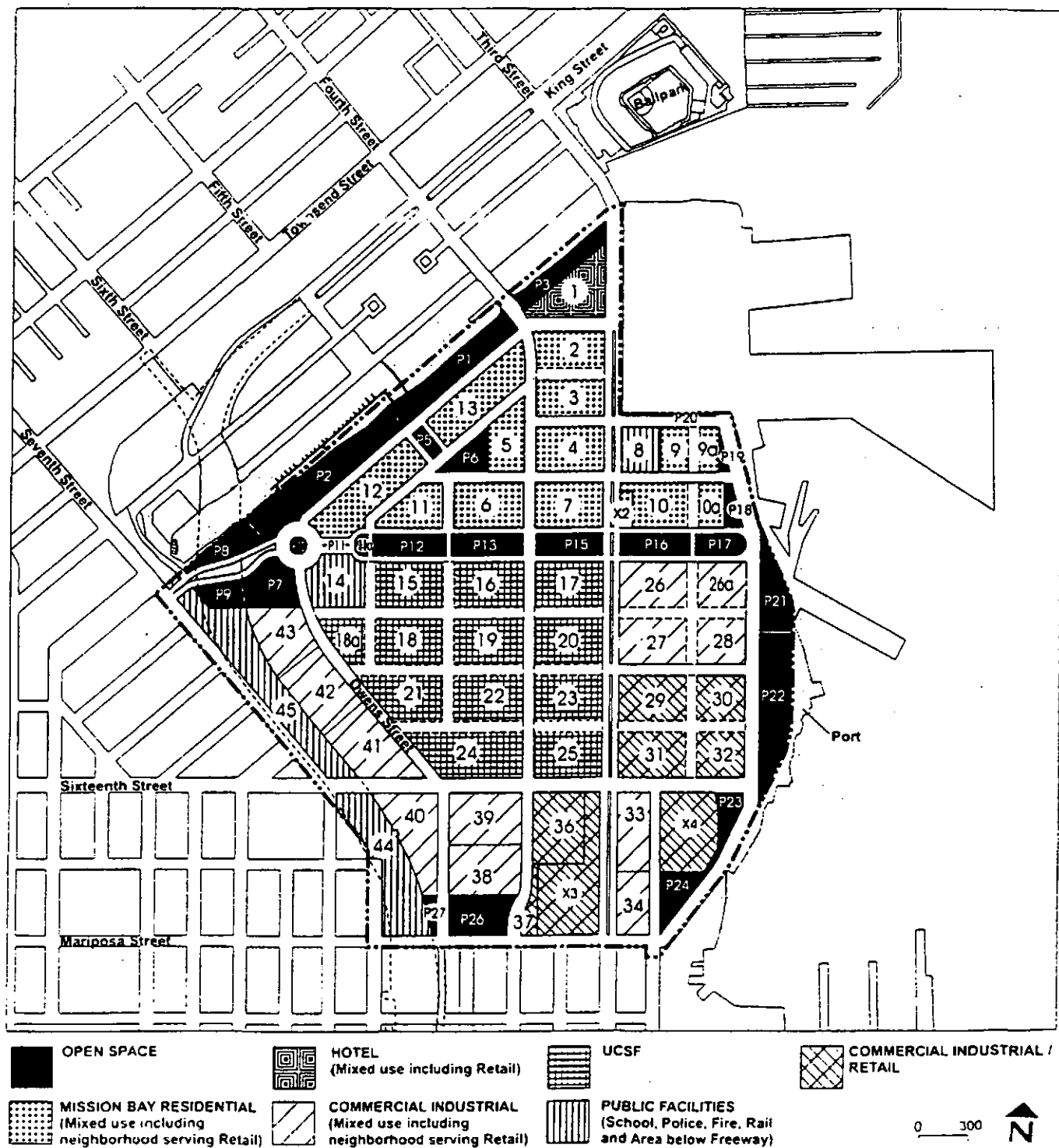
JOHNSON FARM PARTNERS

SAN FRANCISCO, CALIFORNIA

CATELLUS DEVELOPMENT CORPORATION

EXHIBIT A

Page 2 of 2



MISSION BAY LAND USE PLAN - SOUTH

JOHNSON FARM PARTNERS

SAN FRANCISCO, CALIFORNIA

CATELLUS DEVELOPMENT CORPORATION

EXHIBIT "B-1"

(P1 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

BEGINNING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet; thence, SOUTH 46°18'07" WEST, 142.57 feet; thence, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, of that line called for in said State Trust Parcel 2, cited in the above said Patent, as course, NORTH 46°18'07" EAST, 750.68 feet; thence, along said parallel line, SOUTH 46°18'07" WEST, 583.49 feet, to a tangent curve concave northerly, having a radius of 59.50 feet, southwesterly and westerly, along said curve, through a central angle of 67°53'05", an arc length of 70.50 feet; thence, NORTH 65°48'48" WEST, 40.58 feet, to a tangent curve, concave southerly, having a radius of 85.50 feet; thence, westerly, along said curve, through a central angle of 32°49'49", an arc length of 48.99 feet, to the southwesterly line of former Fifth Street, as shown on the above said "Map of Mission Bay"; thence, along said southwesterly line, NORTH 43°41'53" WEST, 110.35 feet, to the said southeasterly line of Channel Street (200' wide); thence, along said southeasterly line, NORTH 46°18'07" EAST, 907.95 feet to the **POINT OF BEGINNING**.

Containing 187,735 sq. ft., more or less.

Prepared by:


Terrence T. Connors
LS 5099, expires 6/30/07



Exhibit "B-1.1"

Excepting there from the following reservations, the terms and uses of which are individually described as follows:

Joint Trench Easement – The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of the City and County of San Francisco, its permittees, grantees, licensees, employees, and contractors and various utility providers, including but not limited to, the City and County of San Francisco Bureau of Lighting, Heat & Power, Department of Telecommunications & Information Services and Public Utilities Commission; Pacific Gas & Electric; Pacific Bell; RCN; AT&T; etc., in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit B-1.1) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telegraphic, telecommunication and telephone lines, street lighting facilities, and facilities

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

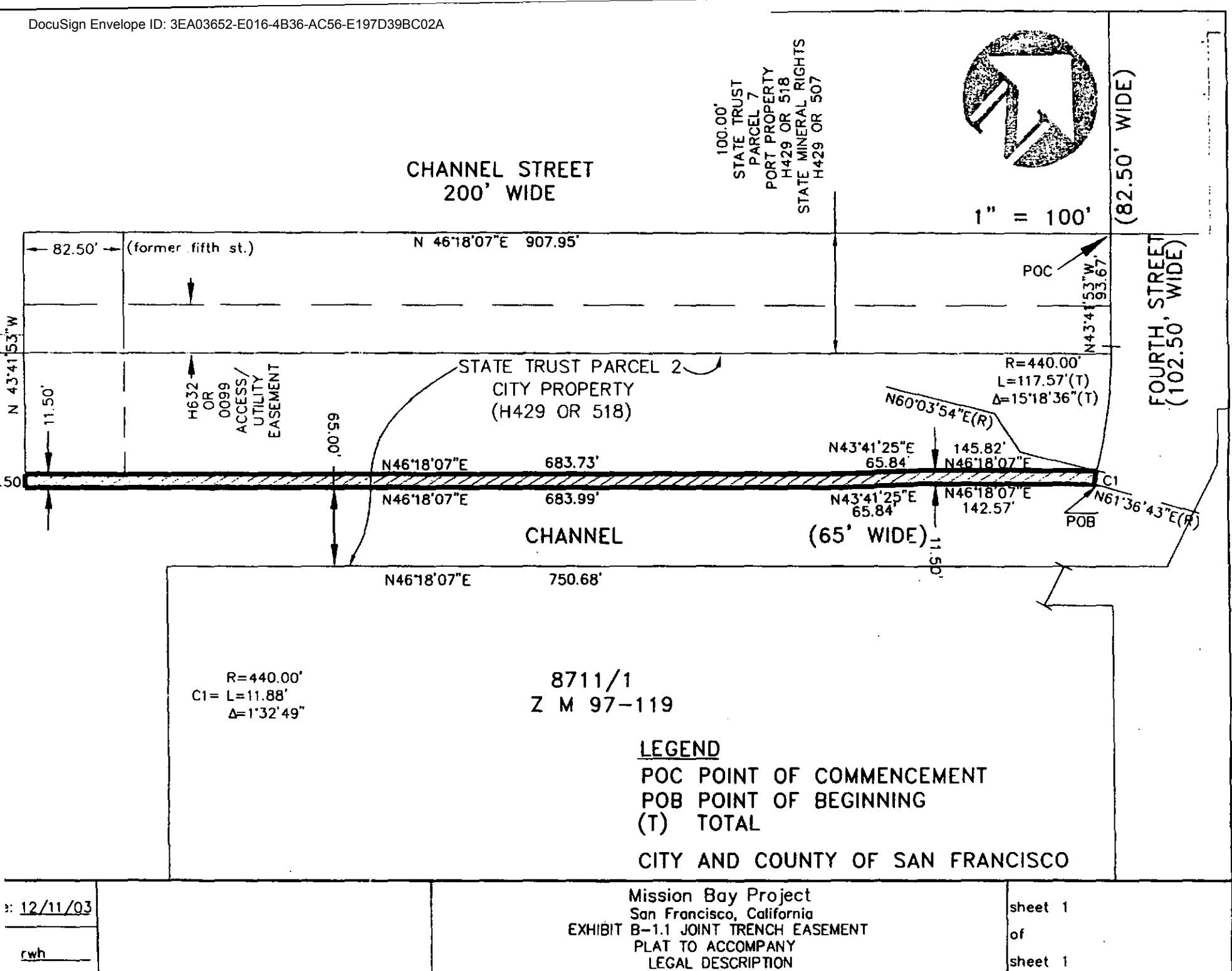
Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

COMMENCING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly, along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet, to the **TRUE POINT OF BEGINNING**, said point being the beginning of a non-tangent line, and to which point a radial line bears, NORTH 61° 36' 43" EAST; thence, along said non-tangent line, being also the southeasterly line of this description, SOUTH 46°18'07" WEST, 142.57 feet; thence, continuing along said southeasterly line, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, to the line cited in the above said Patent as course: NORTH 46°18'07"

EAST, 750.68 feet; thence, along said parallel line, SOUTH $46^{\circ}18'07''$ WEST, 683.99 feet, to the southwesterly line of former Fifth Street (82.50 feet wide), as said street is shown on the above said map (Z Maps 97-119); thence, along said southwesterly line of former Fifth Street, NORTH $43^{\circ}41'53''$ WEST, 11.50 feet, to a line parallel with and distant northwesterly 11.50 feet, measured at right angles to the southeasterly line of this description herein described; thence, along said parallel line the following courses and distances: NORTH $46^{\circ}18'07''$ EAST, 683.73 feet; NORTH $43^{\circ}41'25''$ EAST, 65.84 feet; and, NORTH $46^{\circ}18'07''$ EAST, 145.82 feet, to a point on the herein described tangent curve having a radius of 440.00 feet, and to which point a radial line bears NORTH $60^{\circ}03'54''$ EAST; thence southerly along said curve, through a central angle of $1^{\circ}32'49''$, an arc length of 11.88 feet, to the **POINT OF BEGINNING**.

Containing 10,280 Sq. Ft., more or less.



Pacific Gas & Electric Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of Pacific Gas & Electric in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telecommunication and facilities for the transportation or distribution of electric energy.

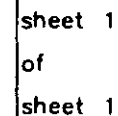
All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

Legal Description

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

An area, 20 feet in width (measured at right angles), centered around the future Pacific Gas & Electric facilities extending northerly from the northwesterly right-of-way line of future Channel to an electrical transformer, lighting and irrigation service panel pad and westerly from the electrical transformer, lighting and irrigation service pad to an electrical service panel near the concession building, as generally shown northwesterly of station 22+00 on the improvement plans prepared for Catellus Development Corporation (as Permittee) by RBF Consulting, entitled "Mission Creek Park, Block P1 - 100% Submittal" approved by the Director, San Francisco Department of Public Works, on January 18, 2002, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-1.2 to be used for reference only.



Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facility and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

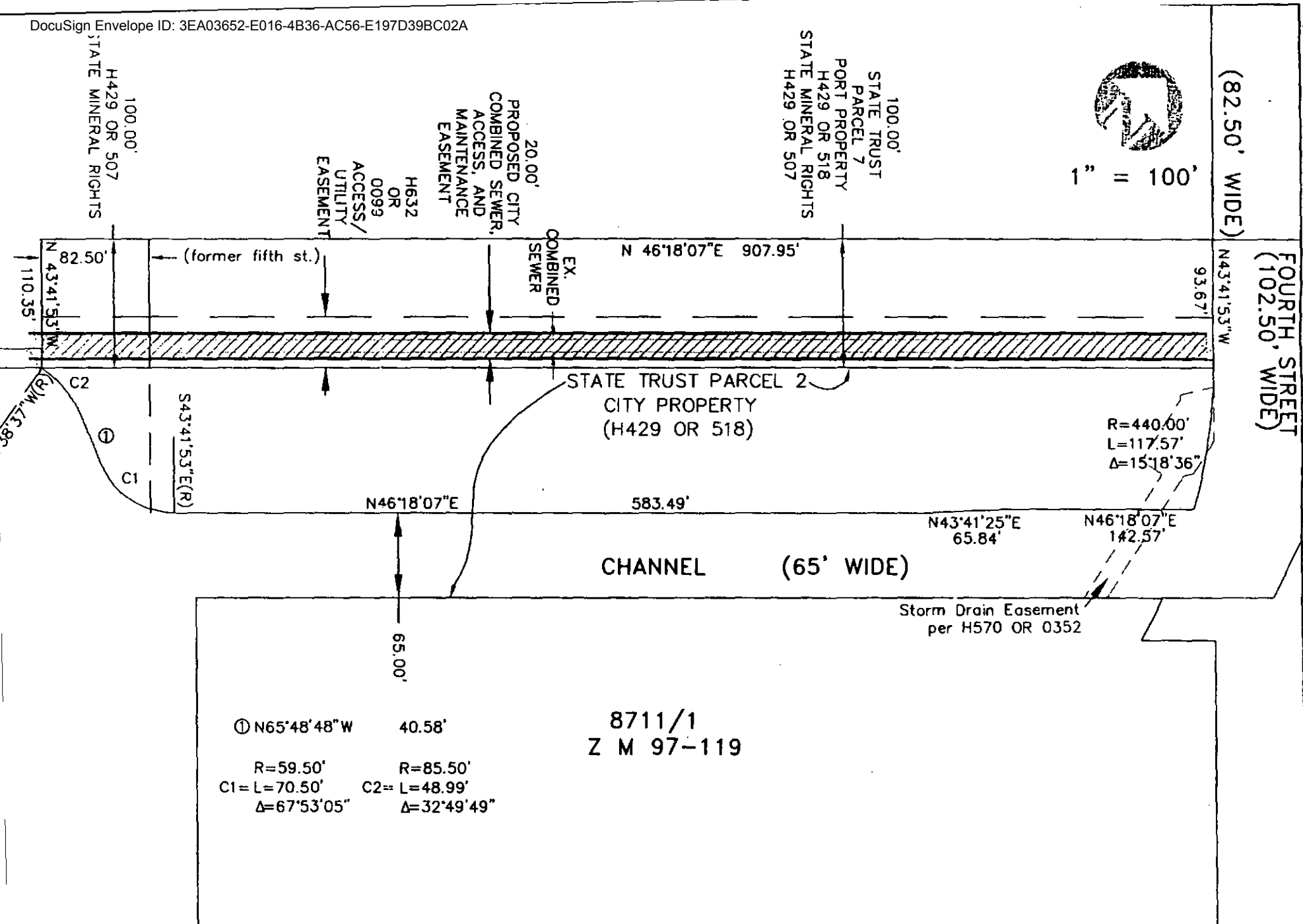
Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Sewer Facility as it now exists. The sidelines of said easement shall be lengthened or shortened so as to extend from the from the southwesterly right-of-way line of Fourth Street (102.5 feet wide) to the southwesterly property line of the above described SFRA Lease Parcel (Exhibit A) and create a continuous easement throughout. Said easement is shown in its approximate location on the attached plat map B-1.3 to be used for reference only.



12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.3 COMBINED SEWER EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco Department of Transportation, MUNI, and its permittees, grantees, licensees, employees, and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation system.

Legal Description

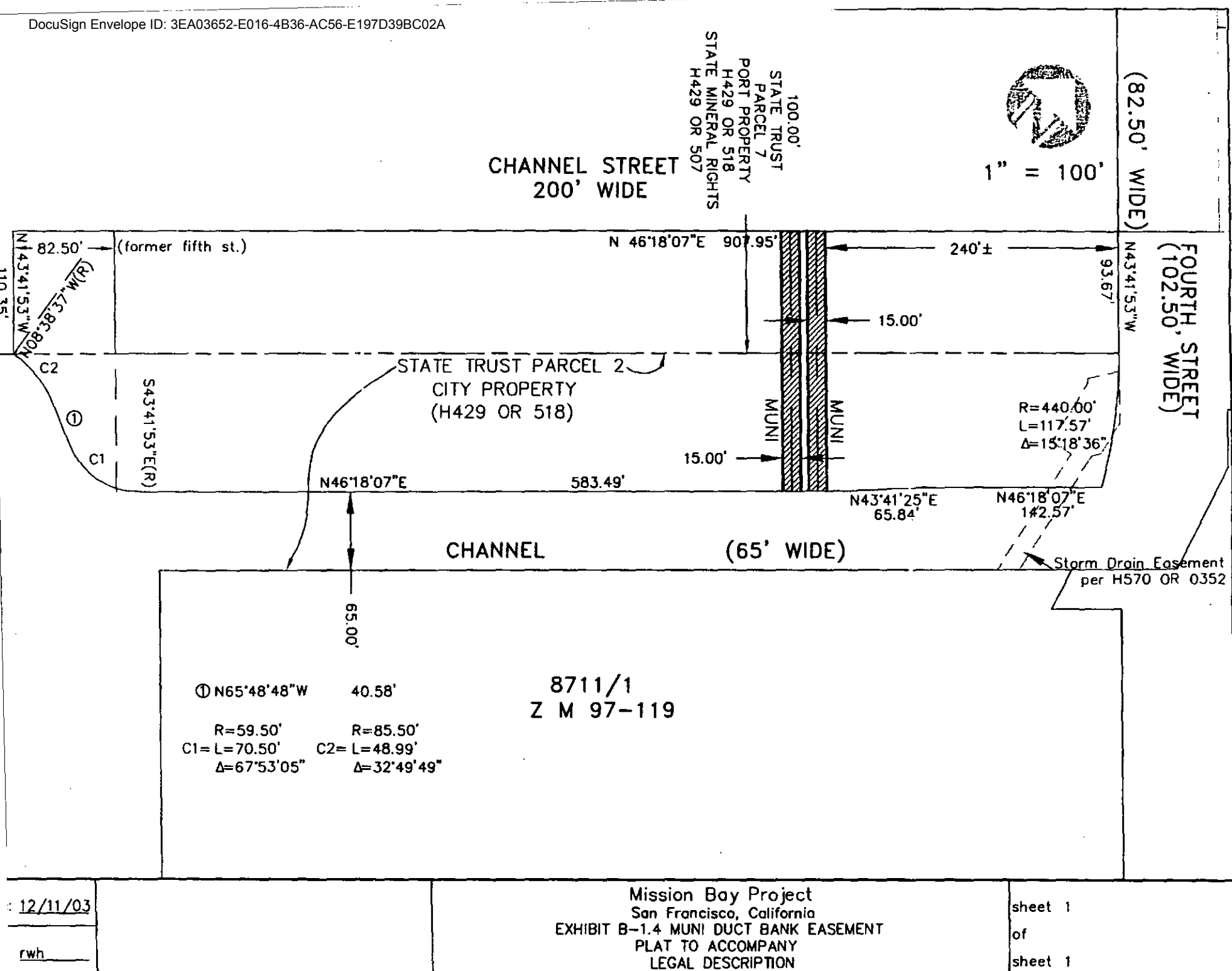
All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2 and 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet, measured at right angles, on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MUNI, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MUNI, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director.

The sidelines of said easement shall be lengthened or shortened so as to extend from the southeasterly line of Channel Street (200 feet wide) southerly to the northwesterly right-of-way line of future Channel (65 feet wide) and create continuous easements throughout. Said easements are shown in their approximate locations on the attached plat map B-1.4 to be used for reference only.



Carmen's Parking Easement – The non-exclusive right to be held by the City and County of San Francisco, and the City acting by and through the San Francisco Port Commission in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, cleaning, operation, policing, repair and maintenance of facilities, appurtenances, signs, and other fixtures for vehicular parking for the benefit of the adjacent tenant leased area now known as Carmen's Restaurant. Said easement is shown in their approximate locations on the attached plat map B-1.5 to be used for reference only.

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999, in Reel H429 Image 518, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Commencing at the intersection of the southeasterly line of Channel Street (200.00 feet wide) and the southwesterly line of Fourth Street (102.50 feet wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 76.30 feet, to the beginning of a non-tangent curve concave to the southeast, having a radius of 15.00 feet, to which a radial line bears, NORTH 52°53'32" WEST, said point being the **POINT OF BEGINNING** of this description; thence, southerly along said non-tangent curve, through a central angle of 83° 55'08", an arc length of 21.97 feet; thence, SOUTH 39°54'25"EAST, 40.96 feet, to the beginning of a non-tangent curve concave to the northeast, having a radius of 15.00 feet, to which a radial line bears, SOUTH 38°53'28" WEST; thence, easterly along said non-tangent curve, through a central angle of 72°21'49", an arc length of 18.94 feet, to a point on a non-tangent curve concave to the southwest, having a radius of 440.00 feet, to which point a radial line bears, NORTH 53° 04'57" EAST; thence, northwesterly along said non-tangent curve, through a central angle 6°46'50", an arc length of 52.07 feet; thence, NORTH 43°41'53" WEST, 17.37 feet to the **POINT OF BEGINNING**.

Containing 820 Sq. Feet., more or less.

CHANNEL STREET

(200' wide)



1" = 50'

LEGEND

POC: POINT OF COMMENCEMENT

POB: POINT OF BEGINNING

$R=15.00'$ $N43^{\circ}41'53''W$
 $C1=L=21.97'$ $L1=17.37'$
 $\Delta=83^{\circ}55'08''$
 $R=15.00'$
 $C2=L=18.94'$
 $\Delta=72^{\circ}21'49''$
 $R=440.00'$
 $C3=L=52.07'$
 $\Delta=6^{\circ}46'50''$

STATE TRUST PARCEL 2

FUTURE CHANNEL

8711/1
Z MAPS 97-119

POC

$N52^{\circ}53'32''W (R)$
 $N43^{\circ}41'53''W$
 $76.30'$
 $93.67' (L)$

28.50'

FOURTH STREET
(102.50' WIDE)

C1

L1

POB

$N39^{\circ}54'25''W$
 $40.96'$ C3

 $N46^{\circ}18'07''E (R)$ $N38^{\circ}53'28''E (R)$

C2

 $N53^{\circ}04'57''E (R)$

MONUMENT LINE

 $N43^{\circ}41'53''W$

$R=440.00'$
 $L=65.50'$
 $\Delta=8^{\circ}31'46''$

 $N61^{\circ}36'43''E (R)$

8714/2

STATE TRUST
PARCEL 2

8715/2
H712 OR 294

8715/3
H712 OR 294

e: 12/11/03

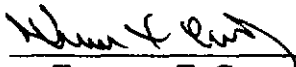
rwh

Mission Bay Project
 San Francisco, California
 EXHIBIT B-1.5 PARKING LOT
 PLAT TO ACCOMPANY
 LEGAL DESCRIPTION

sheet 1
 of
 sheet 1

As to each of the reservations set forth in this Exhibit B-1.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Descriptions and Plat Maps were prepared by me or under my direction.

By: 
Terrence T. Connors
LS 5099, expires 6/30/07



No.: 00820-CT-02260

This certificate is issued to:

City and County of San Francisco
 Redevelopment Agency, San Francisco Port
 Commission, City and County of San Francisco
 1 South Van Ness Avenue, 5th Floor
 San Francisco CA 94103

University of California, San Francisco
 Campus Procurement & Business Contracts
 1855 Folsom Street, Suite 304
 San Francisco, CA 94143-0910
 415-502-3032

UNIVERSITY OF CALIFORNIA CERTIFICATE OF SELF-INSURANCE

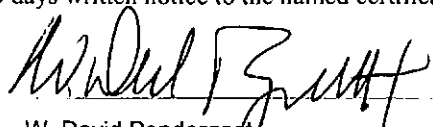
This is to certify that the University of California is self-insured for the following coverages:

Type of Coverage	Self-Insured Limits
I. GENERAL LIABILITY	
Each Occurrence	\$5,000,000
Products and Completed Operations Aggregate	\$5,000,000
Personal and Advertising Injury	\$5,000,000
General Aggregate (Bodily Injury & Property Damage)	\$5,000,000
*Watercraft Liability (Protection and Indemnity) for vessels under 30 feet in length is covered under the General Liability self-insurance program.	
II. AUTOMOBILE LIABILITY	
Vehicles Owned, Non-owned and Hired	\$1,000,000 each occurrence
III. SPECIAL TERMS & CONDITIONS:	
1 City and County of San Francisco Redevelopment Agency, San Francisco Port Commission, City and County of San Francisco, its officers, agents and employees are hereby named as additional insureds, but only in connection with the License and Agreement to Conduct Non-Profit Activities by and between the Redevelopment Agency of the City and County of San Francisco and The Regents of the University of California dated September 2, 2008. This provision shall apply to claims, costs, injuries or damages but only in proportion to and to the extent such claims, costs, injuries, or damages are caused by or result from the negligent acts or omissions of the Regents of the University of California, its officers, agents, or employees. 2 The insurance evidenced herein follows the provisions of the Bylaws and Standing Orders of The Regents of the University of California and self-insurance programs as administered by the University of California, Office of the President, Office of Risk Management, which do not permit any assumption of liability which does not result from and is not caused by the negligent acts or omissions of its officers, agents, or employees. Any indemnification or hold harmless clause with broader provisions than required under such Bylaws and Standing Orders shall invalidate this certificate. Under the Certificate of Consent to Self-insure No. P-1344, granted by the State Director of Industrial Relations, a self-insurance program for Workers' Compensation liability was implemented by the Regents of the University of California, Office of Risk Management. Said program complies with applicable federal and state statutes.	

Should any of the above described programs of self-insurance be materially modified or cancelled before the expiration date shown below, The Regents of the University of California will give 30 days written notice to the named certificate holder.

DATE ISSUED: September 02, 2008

CERTIFICATE EXPIRES: November 30, 2008

 8/28/08
 W. David Pendergast Date
 Acting Manager, Business Contracts Unit

No.: 00822-CT-02280

This certificate is issued to:

**FOCIL-MB, LLC, Catellus Urban Construction,
Inc.****One Maritime Plaza Suite 1325
San Francisco CA 94111****University of California, San Francisco
Campus Procurement & Business Contracts
1855 Folsom Street, Suite 304
San Francisco, CA 94143-0910
415-502-3032**

UNIVERSITY OF CALIFORNIA CERTIFICATE OF SELF-INSURANCE

This is to certify that the University of California is self-insured for the following coverages:

Type of Coverage	Self-Insured Limits
I. GENERAL LIABILITY	
Each Occurrence	\$5,000,000
Products and Completed Operations Aggregate	\$5,000,000
Personal and Advertising Injury	\$5,000,000
General Aggregate (Bodily Injury & Property Damage)	\$5,000,000
*Watercraft Liability (Protection and Indemnity) for vessels under 30 feet in length is covered under the General Liability self-insurance program.	
II. AUTOMOBILE LIABILITY	
Vehicles Owned, Non-owned and Hired	\$1,000,000 each occurrence

III. SPECIAL TERMS & CONDITIONS:

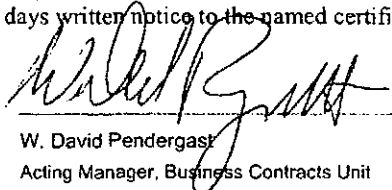
- FOCIL-MB, LLC, Catellus Urban Construction, Inc.**, its officers, agents and employees are hereby named as additional insureds, but only in connection with the **Sublicense Consent and Agreement by and among FOCIL-MB, LLC, and The Regents of the University of California pertaining to Kayak Building Improvements**. This provision shall apply to claims, costs, injuries or damages but only in proportion to and to the extent such claims, costs, injuries, or damages are caused by or result from the negligent acts or omissions of the Regents of the University of California, its officers, agents, or employees.
- The insurance evidenced herein follows the provisions of the Bylaws and Standing Orders of The Regents of the University of California and self-insurance programs as administered by the University of California, Office of the President, Office of Risk Management, which do not permit any assumption of liability which does not result from and is not caused by the negligent acts or omissions of its officers, agents, or employees. Any indemnification or hold harmless clause with broader provisions than required under such Bylaws and Standing Orders shall invalidate this certificate.

Under the Certificate of Consent to Self-insure No. P-1344, granted by the State Director of Industrial Relations, a self-insurance program for Workers' Compensation liability was implemented by the Regents of the University of California, Office of Risk Management. Said program complies with applicable federal and state statutes.

Should any of the above described programs of self-insurance be materially modified or cancelled before the expiration date shown below, The Regents of the University of California will give 30 days written notice to the named certificate holder.

DATE ISSUED: September 02, 2008

CERTIFICATE EXPIRES: November 30, 2008


W. David Pendergast
Acting Manager, Business Contracts Unit

8/29/08
Date

Attachment 4: UCSF Kayak Programing Summary 22-24

UCSF Kayak Program Summary

UCSF Outdoor Programs

**Kayak Storage Shed and Boat Launch Facility
NP4, Mission Creek Park**

Introduction

As part of the University of California San Francisco (UCSF), Outdoor Programs will provide the stability, experience and access required to make kayaking a successful component of Mission Creek Park. The public boat launch will provide access to those who already have boats and training. Housing UCSF Outdoor Programs at the park will provide kayaking opportunities for those who have little or no experience and equipment.

Outdoor Programs, a sub-unit of Campus Life Services' Fitness & Recreation unit at UCSF, has over 40 years of experience leading outdoor adventures in the Bay Area. In fact, Outdoor Programs was one of the first University based outdoor adventure programs in the country. Outdoor Programs has a dual commitment to serve both the UCSF community and the general public and is under contract with the California Department of Boating and Waterways to provide on the water training to enhance basic boating safety education.

Outdoor Programs no longer has kayak storage in Sausalito or any other location in San Francisco. By securing a convenient location on the calm waters of Mission Creek, Outdoor Programs will be able to continue to serve youth groups as it is well located for both mass transit and within walking distance of many community organizations. A dedicated kayaking program in Mission Creek Park will also help support the Blue Greenway, a planned 13-mile path providing walking, biking and water access along San Francisco's southern waterfront.

Summary of Programming

The location of Mission Creek Park is ideal in that it provides a protected body of water perfect for beginning level paddles while at the same time provides a launching point for more advanced paddling destinations. Outdoor Programs is committed to providing programs that provide quick and easy access to the Bay with an emphasis on the essentials of safe boating. Programs are exclusively guided tours around the bay to guarantee safety especially when paddling beyond the calm waters of McCovey Cove. Programs will be open to both the general public and persons affiliated with UCSF. Below is a sample of courses and trips that will be offered:

Mission Creek Tours

Goal: Using stable double sit on top kayaks, participants will be introduced to basic paddling and safety skills and then go for an easy paddle to practice skills and to explore Mission Bay from the water. Trip itineraries will take advantage of currents and weather conditions to access destinations such as the SF Waterfront and Crane Cove park.

Custom Trips

The classic "2-hour tour" has proven to be the ideal amount of time for most beginners. This includes a 30-40 min. orientation, use of sit on top double kayaks and one guide for every 8 people on the water. Guides are trained regarding local history and are very knowledgeable about the local marine life. Custom trips can be arranged at any of our locations.

Target Participant Groups

As stated, Outdoor Programs is committed to serving the UCSF community as well as the general public. Our main target groups from this site will break down as follows:

UCSF Groups - Our mission at the University is to help make UCSF an institution of choice for students and staff. Outdoor Programs contributes by creating experiences that promote community, health and wellness for the UCSF students, faculty and staff.

Youth Groups - Another commitment of the University is to provide programs that enrich the local community. Kayaking at Mission Creek provides a great opportunity for youth groups to experience an activity that teaches leadership, teamwork and water safety.

To insure underserved youth have access to kayaking programs, Outdoor Programs will make scholarships available to qualifying groups. It is our goal to provide over 26 trips serving over 400 youth at no cost and increase the scholarship fund each year with additional outside support. We will target youth groups such as schools, after-school programs, Boys and Girls Clubs, community centers and other providers of youth programs to ensure that San Francisco's youth are served by the kayaking program.

Outdoor Programs will also offer courses on a sliding scale to qualifying non-profit youth groups.

General Public – Courses, trips and tours are open to the general public. Outdoor Programs has a special commitment to teaching the public about boating safety.

Course Statistics

Below are the combined participation numbers for July 2021-July 2022. Covid interrupted many youth organizations and schools so that they were not able to participate during the summers of 2020 and 2021.

Outdoor Programs expects to serve approximately 2000 participants from the Mission Creek Storage Shed and Kayaking Launch each year.

Type of Course:

Type of Course	# Of Sessions Offered Annually 2021-2022	Total Participants by Course type 2021-2022	Total Projected Participants by Course type 2022-2023
Mission Creek Kayak Tours	80	800	1000
Mission Creek SUP	25	97	
Youth Kayak Programs	28	605	1000
Totals	133	1502	2000

Participant Demographics:

Population Segment	# Of Participants 2021-2022	# Of Projected Participants 2022-2023
General boating public	252	300
School /youth groups	685	1200
UCSF Staff /Fit members	84	100
UCSF students	548	600
Senior groups	0	0
Disabled groups	0	0
Total Participants	1569	2200

Course Operations

Programs can be offered year round; however, the main season is from May to October which could support SFUSD end-of-year and back-to school trips as well as Recreation and Parks summer camps. Programs will be run out of the park at least four times a week during the main season, including most weekends and several days during the week. Use of the shed will be during daylight hours with some sunset trips on weekends, from approximately 6:00 a.m. to 10:00 p.m.

UCSF Outdoor Programs will store its kayaks in the kayak storage shed and begin and end its kayak tours and classes from the boat launch. When UCSF Outdoor Program staff are not physically at the kayak shed and boat launch, signs will offer public information about the programs and who to contact to sign-up. UCSF and the Agency will agree on the design and location of the signs.

Quarterly Reports

UCSF Outdoor Programs will provide a quarterly program report to the Agency. The report will describe the activities, including all tours and classes, which took place in the quarter. The report will also include the approximate number of persons served and the demographics of the populations served (i.e., general public, youth, seniors, disabled, UCSF-affiliated groups) as well as document outreach conducted to underserved communities. The report will also note any changes to the condition of the property and any security incidents.

Waivers

UCSF Outdoor Programs will ensure that the waiver form signed by each participant in the kayak programs includes the Agency and the City and County of San Francisco as the indemnified parties and extends to the Agency the same protections that the Regents receive in the waiver.