RESOLUTION NO. 61-2001

Adopted April 17, 2001

AUTHORIZING EXECUTION OF AN OWNER PARTICIPATION AGREEMENT WITH ESPRIT DE CORP., A CALIFORNIA CORPORATION, FOR PARCEL X4 PURSUANT TO THE MISSION BAY SOUTH REDEVELOPMENT PLAN; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. On September 17, 1998, by Resolution No. 190-98, the Redevelopment Agency of the City and County of San Francisco (“Agency”) approved a proposed Redevelopment Plan for the Mission Bay South Redevelopment Project Area (“Plan”). On November 2, 1998, the Board of Supervisors by Ordinance 335-98 adopted the Plan. The Plan and its implementing documents, as defined in the Plan, constitute the “Plan Documents.” The Plan, together with permit approvals and other actions implementing the Plan are hereafter referred to as ( “the Project”).

2. On September 17, 1998, the Agency adopted Resolution No. 182-98 which certified the Final Subsequent Environmental Impact Report (“FSEIR”) for the Project, and adopted Resolution No. 183-98, which adopted environmental findings (and a statement of overriding considerations), pursuant to the California Environmental Quality Act (“CEQA”) and State CEQA Guidelines in connection with the approval of the Plan, and other Project approvals. The San Francisco Planning Commission certified the FSEIR by Resolution No. 14696 on the same date. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132 affirming certification of the FSEIR by the Planning Commission and the Agency, and Resolution No. 854-98 adopting environmental findings and a statement of overriding considerations. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180.

3. Esprit de Corp., a California corporation (“Esprit”), is the owner of Parcel X4 within the Mission Bay South Redevelopment Project Area, as shown on Attachment 2, Plan Area Map, attached thereto, which under the Plan is eligible for up to 450,000 leasable square feet of Commercial Industrial/Retail uses (“Parcel X4”).

4. Esprit also owns a landscaped site, Block 4061- Lot 2, which Esprit has made available for public use (“Park”), which was appraised in December, 2000 at a value of $9.78 million.

5. Pursuant to the Plan and the Mission Bay South Owner Participation Rules, the Agency wishes to enter into an Owner Participation Agreement with Esprit for the redevelopment of Parcel X4 (“OPA”). The OPA provides that Esprit will donate the Park to the City of San Francisco at no cost and City Planning Code fees and exactions for Parcel X4 will be waived pursuant to Section 304.10 of the Plan. The OPA also contains procedures and requirements, for deferral of Esprit’s redevelopment of Parcel X4 in accordance with Plan requirements.
FINDINGS

1. Approval of the OPA is an undertaking pursuant to and in furtherance of the Plan pursuant to State CEQA Guidelines Section 15180 ("Implementing Action"). The future development of Parcel X4 contemplated by the OPA is required to comply with the requirements contained in the Plan Documents. In addition, pursuant to State CEQA Guidelines Section 15162, the following determinations indicate that approval of the OPA is exempt from further CEQA documentation requirements:

   A. The Implementing Action is within the scope of the Project analyzed in the FSEIR, and no FSEIR revisions are required due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

   B. No substantial changes have occurred with respect to the circumstances of the Project analyzed in the FSEIR which would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR.

   C. There is no new information of substantial importance to the Project analyzed in the FSEIR which would indicate any of the following (i) the Implementing Action will have significant effects not discussed in the FSEIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (iv) mitigation measures or alternatives which are considerably different from those in the FSEIR will substantially reduce one or more significant effects on the environment.

   D. Any specific development which Esprit proposes pursuant to the terms of the OPA ("Development") may be subject to further environmental review and the Agency will apply State CEQA Guidelines Section 15162 to determine whether additional environmental review is required for such Development.

2. In addition, the approval of the OPA is also exempt from CEQA since Esprit’s transfer of the Park to the City pursuant to the OPA will have no environmental effect, since the City’s acquisition is for the purpose of continuation of the Park’s status as a publicly available park.

3. The approval of the OPA will result in the achievement of substantial public benefits, specifically Esprit’s donation to the City of the Park, which was appraised in December 2000 to have a value of $9,780,000. The OPA provides that Esprit will be exempted from City Planning Code fees and exactions on the development of Parcel X4, which are estimated at a sum of $3.6 million. Hence, waiver of such fees and exactions are approved in accordance with Section 304.10 of the Plan since the public benefits under the OPA exceed those that would otherwise be obtained through imposition of the City Planning Code fees and exactions.
RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco to approve the findings contained in this Resolution and authorize the Executive Director to execute an Owner Participation Agreement with Esprit de Corp., a California corporation, for Parcel X4 in the Mission Bay South Redevelopment Project Area in substantially the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

Bertha A. Ontiveros
Agency General Counsel