RESOLUTION NO. 189-2002

Adopted October 22, 2002

AUTHORIZING THE FOURTH AMENDMENT TO THE AGREEMENT FOR DISPOSITION OF LAND FOR PRIVATE DEVELOPMENT WITH L-O SOMA HOLDING, INC., A DELAWARE CORPORATION, DBA THE ARGENT HOTEL, TO ACCOMMODATE JESSIE GARAGE WORK ON ARGENT HOTEL PARCELS 3706-H, 3706-H(1), 3706-H(2A) AND 3706-H(2B), LOCATED AT THE SOUTHWEST CORNER OF THIRD AND STEVENSON STREETS; YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA


2. On September 29, 1988 the Site was purchased by ANA Hotels San Francisco, Inc. ("ANA"), which entered into a Second Amendment to the LDA on August 31, 1993. Subject to the terms and conditions of the Second Amendment to the LDA, ANA purchased additional parcels of land from the Agency which adjoin the southerly boundary of the Site as Parcel 3706-H(2A) and Parcel 3706-H(2B) (collectively the "Parcels"). L-O SOMA Holding, Inc., a Delaware corporation, dba the Argent Hotel, is currently the owner of record of the Site and the Parcels ("Owner") as the successor-in-interest to ANA.

3. The Agency has studied the need for and the potential to provide additional parking in the Project Area to facilitate reliable, convenient and safe access for the public and the users of improvements in the Project Area and, specifically, on Central Block One ("CB-1") and has determined that the construction of an underground parking facility, including, without limitation, all ramps and other appurtenant features in and adjacent to the subsurface area below the Jessie Square Parcel ("Parking Garage") would address a portion of the parking and loading needs of the public and the visitors to, and operators of, the cultural institutions, commercial developments, and other improvements which have been, or are to be, constructed on CB-1 adjacent to the Site.

4. On May 22, 2001, the Agency entered into a Third Amendment to the LDA to provide for the construction of the Parking Garage which will be constructed and operated by Jessie Square Garage Partners LLC, a Delaware limited liability company ("Garage Developer"), an affiliate of CB-1 Entertainment Partners LP.
5. On October 22, 2002, the Agency authorized a Fourth Amendment to the Disposition and Development Agreement ("CB-1 DDA") with CB-1 Entertainment Partners LP and a new DDA with CB-1 Entertainment Partners LP ("Garage DDA") that contemplates the issuance of Agency bonds to finance the construction of the Parking Garage and Jessie Square by the Garage Developer and provides that, upon completion, the Parking Garage and Jessie Square will be owned and operated by the Agency as publicly available facilities.

6. In order to provide vehicular access to the Parking Garage as well as facilitate the construction, use and operation of the Parking Garage, the Fourth Amendment to the LDA provides for a grant to the Agency of easements for the development of, access to and operation of the Parking Garage. As consideration for the grant of such easements, Garage Developer has agreed (i) to construct various improvements on the Site for the benefit of Owner d/b/a the Argent Hotel and (ii) to contribute $2,000,000 to the Owner of the Site as provided in the Fourth Amendment to the LDA.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute the Fourth Amendment to the Agreement for Disposition of Land for Private Development with L-O SOMA Holding, Inc., a Delaware corporation ("Fourth Amendment"), substantially in the form lodged with the Agency General Counsel, and to execute any and all other ancillary documents and conveyance instruments necessary to effectuate the development described in such Fourth Amendment.

APPROVED AS TO FORM:

[Signature]

Bertha A. Oliveros
Agency General Counsel