RESOLUTION NO. 84-2003

Adopted June 10, 2003

AUTHORIZING A FIRST AMENDMENT TO THE OWNER PARTICIPATION/ DISPOSITION AND DEVELOPMENT AGREEMENT WITH EMPORIUM DEVELOPMENT, L.L.C., A CALIFORNIA LIMITED LIABILITY COMPANY, TO TERMINATE THE FINANCING AGREEMENT, DELETE THE HOTEL FROM SCOPE OF DEVELOPMENT, EXTEND THE PERFORMANCE SCHEDULE, PERMIT A SIGNIFICANT CHANGE IN THE DEVELOPER ENTITY TO ADMIT WESTFIELD AMERICA, INC., A MISSOURI CORPORATION, AND OTHER RELATED CHANGES; YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. By Resolution No. 179-2000, dated September 26, 2000, the Agency approved an Owner Participation/Disposition and Development Agreement (the “OP/DDA”) and related documents with Emporium Development, L.L.C., a California limited liability company controlled by Forest City Development California, Inc. (the “Developer”) for the development of a mixed use commercial project on Assessor Block 3705, Lots 10, 12, 13, 14, 15, 17, 18, 33, 38 and 43 and a portion of Jessie Street located between 4th and 5th Streets (the “Project Site”).

2. The OP/DDA permits the development and construction of a 1.6 million square foot mixed-use commercial project at the Project Site including a department store, other retail uses, restaurant and entertainment uses (including a multi-plex cinema), office space, and a luxury hotel (the “Project”). The OP/DDA also permits the Agency to make a contribution of tax increment funds up to $27,000,000 pursuant to the Financing Agreement approved by the Agency by Resolution No. 147-2000, dated August 15, 2000.

3. The Developer has requested and Agency staff has negotiated a proposed First Amendment to the OP/DDA. The First Amendment provides, among other changes, for the deletion of the hotel from the Project Scope of Development for a revised Project consisting of approximately 1.2 million square feet (the “Revised Project”) and the termination of the Financing Agreement requiring the tax increment contribution from the Agency. It also extends the Performance Schedule by approximately two years, resulting in a final closing date of not later than December 31, 2004 and completion of construction not later than August 31, 2008.

4. The First Amendment further approves a Significant Change in the development entity, Emporium Development, L.L.C., permitting the admission and transfer of 50% the ownership and effective control of the entity to Westfield America Inc. (“Westfield”).

5. By Resolution No. 1A-2000, dated January 13, 2000, the Commission, certified the Final Environmental Impact Report for the proposed Project (“FSEIR”) as accurate, adequate and objective and in compliance with the California Environmental Quality Act and the
CEQA Guidelines ("CEQA"), a copy of which is on file in the office of the Agency Secretary.

6. An Addendum to the FSEIR dated June 8, 2000 was prepared by the Planning Department ("Department") for minor revisions to the FSEIR Project Description and the Project, and was submitted to the Agency for its review. The Department also analyzed additional minor revisions to the Project that were made after publication of the Addendum and concluded that the Project as revised was consistent with the Addendum and did not alter the conclusions therein. The Department communicated the analysis and findings to the Agency.


8. Agency staff and consultants have analyzed the potential environmental impacts of the Revised Project as documented in an Informational Memorandum/Addendum to the FSEIR published on May 20, 2003. The Memorandum analyzed the environmental effects of the Revised Project and any potential changes in circumstances since 2000 and concluded that the Revised Project does not require a Supplemental or Subsequent EIR and that no new information has been presented which indicate the potential for new significant environmental impacts or any substantial increase in the severity of previously identified significant effects.

9. The Project and Environmental Impact Report files, the Addendum and the Informational Memorandum/Addendum have been made available for review by the Agency Commission and the public, and these files are part of the record before the Commission.

FINDINGS

The Agency has reviewed and considered the environmental effects of the Revised Project development program allowed by the First Amendment, the FSEIR, the Addendum and the Informational Memorandum/Addendum and hereby finds and determines that:

1. The OP/DDA and the First Amendment are a "project" as defined by the California Environmental Quality Act, Section 21065(c).

2. The FSEIR and findings of significant impacts adopted by the Agency by Resolution No. 143-2000 dated August 15, 2000 reflected the independent judgment and analysis of the Agency, was adequate, accurate and objective and was prepared, published and adopted following the procedures required by CEQA.

3. The environmental effects of the Revised Project has been analyzed by the Informational Memorandum/Addendum which have been prepared, published and reviewed in compliance with CEQA and reflects the independent judgment and analysis of the Agency, was adequate, accurate and objective and was prepared, published and adopted following the procedures required by CEQA.
4. The Revised Project will not result in any new significant environmental impacts or any substantial increase in the severity of previously identified significant effects. There have been no substantial changes in circumstances since the FSEIR was certified which would require major revisions of the FSEIR for the Revised Project and no supplemental or subsequent EIR is required. All environmental effects of the Revised Project were duly considered and analyzed in the FSEIR, the Addendum and the Informational Memorandum/Addendum and that, pursuant to Sections 21090 and 21166 of the Public Resources Code, no further environmental review is required.

5. The mitigation measures required to mitigate the environmental impacts of the hotel are no longer necessary since the elimination of the hotel will avoid certain significant effects previously identified and Attachment A and the mitigation monitoring program which has been provided to the Commission for its review and consideration and is on file with the Agency Secretary (and available to the public) have been revised accordingly.

RESOLUTION

ACCORDINGLY, IT IS HEREBY RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a First Amendment to the Owner Participation/Disposition and Development Agreement with Emporium Development, L.L.C., a California limited liability company controlled by Forest City Development California, Inc., to terminate the Financing Agreement, delete the hotel from the Scope of Development, extend the Performance Schedule, permit a significant change in the developer entity to admit Westfield America, Inc., a Missouri Corporation, and other related changes, substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:

[Signature]

Bertha A. Ontiveros
Agency General Counsel
I. PROJECT DESCRIPTION.

The Project, as described in the Addendum, was approved in August 2000. Due to changes in market conditions, the Developer now proposes a Revised Project to delete the hotel tower from the development and to terminate the Financing Agreement requiring the tax increment contribution from the Agency. Decreased hotel demand resulting in dramatically lower room and occupancy rates have made development of the hotel component of the Project infeasible. Deletion of the hotel tower from the development reduces the overall program by approximately 375,000 square feet. In addition, minor adjustments within this overall development envelope allow for greater flexibility in the allocation of areas among the department store, other retail, entertainment and restaurant uses.

The Revised Project continues to reuse the Site for a development of approximately 1,210,000 gross square feet including the following uses in approximate gross square feet:

- not less than 315,000, nor more than 375,000 square foot department store;
- not less than 450,000, nor more than 575,000 square feet of other retail/entertainment and restaurant uses;
- 65,000 square foot cinema (up to nine screens and up to 3,200 seats); and
- not more than 237,000 square feet of office;

As further described in the Addendum and the Informational Memorandum/Addendum, the Revised Project is consistent with the land use program identified in the approved Redevelopment Plan, the FSEIR and Addendum, and would not result in any new significant impacts or cause significant effects identified in the FSEIR to be substantially more severe.

II. THE PROJECT AND ITS ALTERNATIVES.

The FSEIR analyzed the environmental impacts of five Alternatives. The Alternatives have been reviewed again and rejected because the Agency finds that, as set forth in Exhibit 1, there is substantial evidence of specific economic, legal, social, technological and other factors that make such Alternatives infeasible. The determination of the Agency is based on numerous factors including the level of benefits that would be generated from the Revised Project.

The Agency also reconsidered its economic analysis of the Alternatives in light of current economic conditions. The Project sponsor's economic consultants, The Sedway Group prepared a report entitled "Analysis of Preferred Alternative and EIR Alternatives, Emporium Site Area," dated June 15, 2000 (the “Alternatives Report”) which analyzed the feasibility of certain alternative uses for the Emporium Building and Annex only. The Sedway Group has also prepared an updated report entitled "Feasibility of Preferred Alternative as Revised (referred to as Revised Project) and EIR Alternatives for Mixed-use Project in the Emporium Site Area" dated June 2, 2003 (the “Alternatives Report 2003”) to review current economic conditions and
to determine if there were any changes to the previous conclusions regarding the feasibility of
the alternatives and the proposed Project. As discussed in the Alternatives Report 2003, the
Financing Agreement would now result in increased costs for the Project sponsor and thus would
make the Revised Project and the Alternatives less feasible. Consequently, the Project Sponsor
has opted to terminate the Financing Agreement.

III. ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES.

A mitigation monitoring plan had been previously prepared and adopted by the Agency. The Revised Project (primarily the removal of the hotel tower and its uses) makes three of the original mitigation measures are no longer necessary, since the Revised Project modifications eliminate the environmental impacts that the mitigation measures were designed to mitigate. The mitigation measures that have been eliminated are the wind shelter proposed as measure B.1 (page 126-133 of the FSEIR) and the red and white parking zones proposed as measure C. 5. a and c (pages 156-158 of the FSEIR). The mitigation monitoring plan, showing the revisions, is attached as Exhibit 2.

The Agency hereby adopts a Mitigation Monitoring Program as revised as required by
Section 21081.6 of the Public Resources Code. This Mitigation Monitoring Program is attached
hereto as Exhibit 2 and incorporated herein by reference.

IV. UNAVOIDABLE SIGNIFICANT ENVIRONMENTAL IMPACTS.

The Revised Project includes many aspects and features that reduce or eliminate
environmental impacts, which could be otherwise significant. The mitigation measures
described above in the preceding sections would reduce the following impacts to less than
significant levels, as described in the referenced FSEIR pages: Noise (pp. 195-197, 205-206);
Geology (pp. A.24-A.25, 206-207); Water Quality (pp. A.25-A.27, 207); Hazards (pp. A.27-A.31, 207-208); and Cultural Resources (pp. A.31-A.33, 209-210). Some significant and unavoidable impacts remain and are listed below:

The Revised Project would result in extensive reconfiguration of the Emporium Building, which is considered to be an important San Francisco resource. The Emporium Building is architecturally significant because of its Category I rating under Article 11 of the Planning Code and the Downtown Plan. It therefore meets the definition of a historic resource under Public Resources Code Section 21084.1 and the reconfiguration of its significant elements such as the dome and rotunda would constitute a significant adverse impact.

Project-related emissions of ROG and NOX would exceed Bay Area Air Quality Management District ("BAAQMD") significance thresholds and would result in a significant impact on regional air quality. According to BAAQMD Guidelines, any proposed project that would individually have a significant air quality impact would also be considered to have a significant cumulative air quality impact. The Revised Project will therefore also have a cumulative significant air quality impact.

The intersection of Fifth and Mission Streets will operate at a LOS F if the Project is combined with the proposed bicycle lane on Fifth Streets. Mitigation measures will not preclude this impact.

Attachment A
Project-related traffic would contribute to cumulative congestion and traffic delays, which would remain significant after the implementation of mitigation measures identified in the FSEIR, at the following locations:

1. The intersection of Howard and Fourth Streets;
2. Intersections near freeway ramps such as Fourth and Harrison Streets;
3. The South of Market area, particularly along access routes to the freeway;
4. In the vicinity of parking garages due to projected cumulative parking shortfalls, additional driving to alternative parking locations, queuing at parking garages, and disruption of traffic circulation at nearby intersections; and
5. Local congestion along Mission Street due to increases in pedestrian volumes and additional driveway and passenger loading areas on Mission Street.

V. STATEMENT OF OVERRIDING CONSIDERATIONS.

Notwithstanding the significant effects noted above, pursuant to Public Resources Code Section 21081(b), the CEQA Guidelines, Chapter 31 and the Agency's CEQA Resolution, the Agency finds, after considering the FSEIR and the Addenda, that specific overriding economic, legal, social and other considerations, as set forth below, outweigh the identified unavoidable significant effects on the environment of the Revised Project and that the unavoidable impacts are therefore acceptable. In addition, the Agency finds that the Project Alternatives are also rejected for the following specific economic, social or other considerations, in and of themselves, in addition to the specific reasons discussed in Exhibit 1:

A. The Revised Project enables the City to achieve an implementable, mixed-use development plan that will assist in transforming an underutilized and underdeveloped site characterized by vacant, deteriorated, obsolete, unsafe or dysfunctional buildings to a vibrant, mixed-use retail project in the center of the San Francisco's retail district.

B. The Revised Project provides for economic revitalization of the Yerba Buena Center Redevelopment Project Area, including a substantial generation of employment opportunities, and increased sales taxes, business license fees and other fees, taxes and governmental revenues.

C. The Revised Project will complement redevelopment program activities undertaken in the existing Yerba Buena Center Redevelopment Project Area and make Mission Street a prominent retail thoroughfare.

D. The Revised Project will provide substantial new tax increment for the production of affordable housing. This money will help to further promote the goals of the City and the Yerba Buena Center Redevelopment Plan by providing additional sources of funding for affordable housing.
E. The Revised Project presents an opportunity to restore or rehabilitate and seismically upgrade the most significant historic elements of the Emporium Building, which has deteriorated over the years and is currently vacant and undesirable as a retail facility because it does not meet modern retail standards. The Revised Project has been designed to restore or rehabilitate key elements to the extent feasible consistent with the overall economic feasibility of the Revised Project.

F. The Revised Project will enhance pedestrian and transit connections through the creation of a pedestrian promenade through the Project and improvements to BART and MUNI station connections.
EXHIBIT 1

ANALYSIS OF ALTERNATIVES

1. **Alternative A. "No Project" Alternative.** Rejected in favor of the Revised Project and is found infeasible for the following environmental, economic, legal, social, and technological reasons:

   Alternative A would not be desirable nor meet the Project objectives of the Agency or the Project sponsor. This Alternative would be a continuation of the existing conditions, which is characterized by dilapidated and underutilized buildings along Mission Street and vacant and rapidly deteriorating historic structures. The Agency’s blight report, dated July 2000, documented the blighted condition of the Site and underutilization and dilapidation have continued unabated since 2000. Specifically, Alternative A does not: provide a framework for accomplishing redevelopment by private action; generate funds for affordable housing; stimulate and attract private investment and the related employment opportunities, tax base and community economic development opportunities; provide a comprehensive jobs program; create a destination retail center with enhanced connections to transit and other major redevelopment projects; nor include the restoration and seismic upgrade of the structures, including historic elements. It also does not meet the development objectives of the Project sponsor.

2. **Alternative B. Reduced Development (No Hotel).** Alternative B is essentially the same as the Revised Project. This Alternative was previously determined to be infeasible at the time of the original Project approvals. However, as development of a hotel is not feasible under current economic conditions, and as further described in the Alternatives Report 2003, the Revised Project now appears to be the only feasible means to achieve the objectives of the Project sponsor and the Agency. Furthermore, with the removal of the hotel portion, the environmental impacts that were related to the hotel tower will not occur and this alternative is a better environmental alternative than the previous project.

3. **Alternative C. Preservation Alternative I (Conservative Approach).** Rejected and found infeasible for the following environmental, economic, technological, and social reasons:

   Alternative C would not be desirable nor meet the Project objectives of the Agency or the Project sponsor. This alternative would preserve the exterior and interior of the Emporium Building, with new construction allowing for appropriate use of the historic building and development of the adjacent portions of the Emporium. It would have a mix of retail, restaurant/entertainment, and office space, but would not include a hotel or cinema use. Strict preservation of the historic interior and exterior imposes significant design and space constraints that limit the quantity and quality of the proposed new retail uses, thus limiting expected lease revenues. The Alternatives Report establishes that the feasibility gap (without public assistance but including historic tax credits) is about $73.2 million, not including the costs that the Project Sponsor has already incurred on the project. Alternative C is financially infeasible and accordingly would not: provide a framework for restoration of the economic and social health of the Project and its environs through private action; stimulate and attract private investment and commensurate employment opportunities, tax base and community economic development opportunities described in the Fiscal Report; maximize tax increment; nor meet the Project sponsor’s development objectives.
This Alternative would result in the same significant, unavoidable transportation impacts as with the Project, except that the Howard/Fourth Streets intersection would be at LOS D, compared to LOS E with the preferred Project Alternative. It would also result in the same significant, unavoidable cumulative air quality and transportation impacts as the Project.

4. **Alternative D. Preservation Alternative 2 (Modified Approach).** Rejected as infeasible for the following environmental, legal, economic, technological, and social reasons:

   Alternative D would not be desirable nor meet the Project objectives of the Agency or the Project sponsor. Like Alternative C, strict preservation of the historic fabric of the building reduces the quantity and quality of the proposed new retail uses, thus limiting expected lease revenues. The feasibility gap without public assistance but including historic tax credits is about $60.6 million, not including the costs that the Project Sponsor has already incurred on the project. This Alternative is financially infeasible and accordingly would not: provide a framework for restoration of the economic and social health of the Project and its environs through private action; stimulate and attract private investment and commensurate employment opportunities, tax base and community economic development opportunities described in the Fiscal Report; maximize tax increment; nor meet the Project sponsor's objectives.

   This Alternative would eliminate unavoidable significant impacts on architectural resources, and would avoid a significant effect of the Project at the Howard and Fourth Streets intersection. However, this Alternative would not avoid cumulative traffic and air quality impacts. This Alternative would result in some improvement to Project-level transportation impacts, but otherwise would not avoid or reduce to a less than significant level the significant unavoidable impacts of the Project.

5. **Alternative E. Existing (Prior) Planning Controls Alternative.** Rejected as infeasible for the following environmental, legal, economic, technological, and social reasons:

   Alternative E would not be desirable nor meet the Project objectives of the Agency or the Project sponsor. The Redevelopment Plan Amendment, adopted October 17, 2000, amended the prior Planning Code as to the Site. Implementation of Alternative E would require further amendment of the Redevelopment Plan to reinstate prior planning controls. Further, office revenues have dropped by approximately 45% since 2000 while the retail revenues have increased due to the connection to the San Francisco Centre. The Alternatives Report establishes that the feasibility gap without public assistance but including tax credits is about $80.8 million, not including the costs that the Project Sponsor has already incurred on the project. This Alternative is financially infeasible and accordingly would not: provide framework for restoration of the economic and social health of the Project and its environs through private action; stimulate and attract private investment and commensurate employment opportunities, tax base and community economic development opportunities described in the Fiscal Report; maximize tax increment; nor meet the Project sponsor's objectives.

   This Alternative would avoid the significant and avoidable effects to architectural resources, but would not avoid or reduce to a less than significant level Project-level or cumulative transportation and air quality impacts.
EXHIBIT 2

FSEIR MITIGATION MEASURES

A. ARCHITECTURAL RESOURCES

1. Prior to the demolition of most of the Emporium Building, the project sponsor would prepare historic documentation, to Historic American Buildings Survey (HABS) recordation standards, which would include the following:

   • A HABS outline report on the Emporium Building including descriptive and historical information.

   • Photographic documentation of the exterior and interior of the Emporium Building and of the exteriors of the other buildings on the site. Such documentation would be provided to HABS standards of detail and quality for photographic documentation in 4x5 or 5x7 photographs and negatives.

   • If, after consulting with the President of the Landmarks Preservation Advisory Board, it is determined that there are not sufficient existing historic drawings to document the building, then a full set of measured drawings of the Emporium Building would be prepared. Such drawings would be prepared according to HABS standards of detail and executed in ink on mylar. If sufficient existing drawings are available, these would be gathered and conserved.

Copies of the narratives, photographic documentation, and detailed notes on the measurement of the Emporium Building would be submitted to the City and County of San Francisco Planning Department prior to authorization of any permit that may be required for demolition of the Emporium Building by the Agency. Completed drawings would be provided to the Planning Department within 180 days after issuance of any required demolition permit.

In addition, the project sponsor would prepare and transmit the photographs and descriptions of the Emporium Building to the Landmarks Preservation Advisory Board, Bancroft Library at the University of California, Berkeley, the History Room of the San Francisco Public Library, and the Northwest Information Center of the California Historical Information Resource System.

2. B. WIND [ELIMINATED]

C. TRANSPORTATION

3. To reduce or eliminate unacceptable conditions at nearby intersections, implement the following:
a. Adjust the signal timing at the intersection of Fifth and Howard Streets to account for the additional westbound vehicles, or

Re-stripe the westbound approach of the intersection of Fifth and Howard Streets to change an exclusive through lane to a right-through lane.

b. Re-time the signal at the intersection of Fourth and Howard Streets.

4. To encourage the use of transit, thereby reducing traffic congestion, implement the following measures:

a. Provide transit information at key locations within the Project Site. Provide for on-site sale of transit passes, tickets and tokens to employees and patrons. The transit information would include transit maps and schedules for all transit carriers (including MUNI and regional carriers) as well as bicycle route maps.

b. Provide transit information on advertising and on circulars or flyers advertising merchandise or events at the Project Site.

c. Provide incentives to project patrons for transit use such as discounts for patrons showing proof of transit use.

d. Provide incentives to project employees for transit use, such as participation in the Commuter Check, Rides For Bay Area Communities, and/or other similar programs.

e. Maintain direct access to MUNI and BART from retail and entertainment uses during all hours when project and transit are in operation.

f. Encourage retail tenants to provide home delivery service.

5. To improve passenger loading areas and pedestrian safety, to reduce vehicle queuing, and to reduce potential secondary impacts on transit operations and traffic congestion, implement the following measures:

a. [ELIMINATED]

b. Maintain pull-outs along the north side of Mission Streets at approximately 90 feet long to the west of the existing mid-block crosswalk and a minimum of approximately 80 feet long between the mid-block crosswalk and the west sidewalk of Jessie Street East.

c. [ELIMINATED]

d. Create an additional passenger loading zone on Jessie Street East to provide for drop-off and pick-up of patrons for the theaters, restaurants, entertainment and retail uses, to serve the secondary patron entrance located on Jessie Street East.
e. Employ traffic management measures (such as parking control officers and a truck dockmaster) to limit conflicts between auto and truck functions and to control queuing conflicts on Mission Street.

f. Reduce the number of spaces rented on a monthly basis at the Fifth and Mission Garage to increase the number of spaces available for short-term use of garage during peak periods.

g. During peak periods such as holidays or major events at Moscone Center station traffic or parking control personnel at congested intersections to direct traffic and ensure pedestrian safety.

h. Provide "Lot Full" and other informational signage near entrances to the Fifth and Mission Garage, to reduce queuing and unnecessary vehicle circulation.

i. Encourage creation of a transportation planning organization for the Yerba Buena Redevelopment Project Area and nearby portions of the South of Market; if such an organization were created, participate actively with other area developers such as the Moscone Convention Center, Sony Metreon and Yerba Buena Gardens, to develop a transportation management program based upon proven transportation planning practices and principles.

6. During the construction period, construction truck movement would be permitted only between 9:00 a.m. and 3:30 p.m. or after 6:30 p.m. and before 7:00 a.m. to minimize peak hour traffic conflicts. The project sponsor and construction contractor(s) would meet with ISCOTT to determine feasible mitigation measures to reduce traffic congestion, including transit disruption and pedestrian circulation impacts during construction of the project. In addition, the project sponsor would ensure that the construction contractor(s) coordinate with any concurrent nearby projects that are planned for construction or become known. The project sponsor and construction contractors would notify BART of any construction activities near the Market Street subway and Powell Street station, to avoid potential disruption of BART facilities or operations.

D. AIR QUALITY / CLIMATE

7. The project sponsor would require the contractor(s) to spray the site with water during demolition, excavation and construction activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand, and other material; cover trucks hauling debris, soil, sand or other such material; and sweep surrounding streets during excavation and construction at least once per day to reduce particulate emissions. Excavation and grading activity would be suspended when gusts exceed 25 mph.

8. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor would require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. The project sponsors would require the project contractor(s) to
maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants, by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance programs to reduce emissions from equipment that would be in frequent use for much of the construction period.

E. NOISE

9. The project sponsor would require project construction contractor(s) to predrill piling and footing holes to the maximum depth feasible on the basis of soil conditions. Contractors would be required to use construction equipment with state-of-the-art noise shielding and muffling devices. The project sponsor would also require that contractors limit pile driving activity to result in the least disturbance to neighbors. The project sponsor would also require that contractors coordinate with neighbors to establish a schedule for pile driving.

10. The project sponsor would implement guidelines for noise abatement procedures at the loading dock. Project truck deliveries and related loading/unloading activities at the loading docks would only be allowed to occur within the loading dock with the loading dock doors closed before 6 a.m. and after 8 p.m. on weekdays and before 7 a.m. and after 7 p.m. on weekends and legal holidays. In addition to the above-described time limitations, such measures might include the following:

- When feasible, trucks would turn into the loading dock rather than turning onto Jessie Street before backing, thereby reducing the extent of impact to hotel residents during truck arrivals and perhaps reducing the use of backup alarms.

- The loading area door would be kept closed, to the extent feasible, to limit external noise from loading activities.

- All unnecessary idling of truck engines would be avoided.

- Acceleration on Jessie Street would be limited to reduce engine and exhaust noise.

F. GEOLOGY

11. One or more geotechnical investigations by a California-licensed geotechnical engineer are included as part of the project. The project sponsor and its contractors would follow the recommendations of the final geotechnical reports regarding any excavation and construction for the project. The project sponsor would ensure that the construction contractor conducts a pre-construction survey of existing conditions and monitors the adjacent building for damage during construction, if recommended by the geotechnical engineer.

12. If dewatering were necessary, the final soils report would address the potential settlement and subsidence impacts of this dewatering. Based on this discussion, the soils report would determine whether or not a lateral movement and settlement survey should be done to monitor any movement or settlement of surrounding buildings and adjacent
streets. If a monitoring survey were recommended, the Department of Building Inspection would require that a Special Inspector (as defined in Article 3 of the Building Code) be retained by the project sponsor to perform this monitoring. Instruments would be used to monitor potential settlement and subsidence. If, in the judgement of the Special Inspector, unacceptable movement were to occur during construction, groundwater recharge would be used to halt this settlement. The project sponsor would delay construction if necessary. Costs for the survey and any necessary repairs to service lines under the street would be borne by the project sponsor.

If dewatering were necessary, the project sponsor and its contractor would follow the geotechnical engineers' recommendations regarding dewatering to avoid settlement of adjacent streets, utilities, and buildings that could potentially occur as a result of dewatering.

13. The project sponsor and its contractor would follow the geotechnical engineers' recommendations regarding installation of settlement markers around the perimeter of shoring to monitor any ground movements outside of the shoring itself. Shoring systems would be modified as necessary in the event that substantial movements are detected.

G. WATER QUALITY

14. If dewatering were necessary, the project sponsor would follow the recommendations of the geotechnical engineer or environmental remediation consultant, in consultation with the Bureau of Environmental Regulation and Management of the Department of Public Works, regarding treatment, if any, of pumped groundwater prior to discharge to the combined sewer system.

If dewatering were necessary, groundwater pumped from the site would be retained in a holding tank to allow suspended particles to settle, if this were found to be necessary by the Bureau of Environmental Regulation and Management of the Department of Public Works to reduce the amount of sediment entering the combined sewer system.

15. The project sponsor would require the general contractor to install and maintain sediment traps in local storm water intakes during construction to reduce the amount of sediment entering the combined sewer system, if this were found to be necessary by the Bureau of Environmental Regulation and Management of the Department of Public Works.

H. HAZARDS

16. A hazardous materials and wastes survey would be conducted in the existing buildings prior to demolition. Any asbestos and lead-based paint identified in the buildings would be abated by a licensed abatement contractor prior to demolition of the buildings. The contractor would follow the City and County of San Francisco Asbestos and Lead-Based Paint Master Abatement Specification.

The project sponsor would follow all required federal, state and local asbestos removal regulations and notification processes required under the permit review process.
All potential PCB-containing equipment and/or fixtures in the existing buildings would be removed prior to demolition and incinerated at a licensed disposal facility. Any mercury vapor lighting would be removed and recycled prior to building demolition.

Prior to site excavation, the project sponsor would submit a site mitigation plan which would discuss the proposed movement and excavation of site soils, dust control measures and site soils disposal measures. The dust control plan would be implemented on the site and would include measures to keep site soils moist in order to prevent particulates from site soils in the air.

Prior to Project Site excavation, the project sponsor would conduct site investigation on the parcels containing the existing buildings and would submit site investigation reports to the Department of Public Health, Environmental Health Management Section (DPH, EHMS) for review.

The site investigation reports would contain the following:

a. A detailed project description, including discussion on construction activities, number of stories of the project building, depth of basement level, amount of the soil to be disturbed and Environmental Health Management Section (DPH, EHMS)

b. Depths and locations of trenching for utilities, building foundation, elevator pits, and other project facilities and equipment below ground surface.

Should hazardous materials and/or wastes be found, the project sponsor would submit a site mitigation plan that would include management of contaminated soils. These measures would include disposal of soils off site at an approved facility or encapsulation site if appropriate.

All workers involved in removal of hazardous waste soils would follow proper decontamination procedures as defined in a site-specific/project-specific health and safety plan which would be required to be submitted for review and approval by the City and County of San Francisco Department of Public Health, Environmental Health Management Section (DPH, EHMS) at least two weeks before any soil on the site is moved. The Health and Safety Plan would be prepared by a safety officer professional with appropriate certification and training. The certified site safety officer would train the project workers on the handling of any hazardous materials and wastes that may be encountered. In addition, the credentials of the certified site safety officer would be submitted to the DPH, EHMS for verification.

Construction monitoring by a trained hazardous wastes specialist would be conducted throughout excavation activities to assist in identification of previously undiscovered hazardous materials and waste issues. Remediation of these previously undiscovered materials and waste would be addressed as they are discovered and identified.

The project sponsor and project contractor would comply with all provisions of the site mitigation plan as approved by the Department of Public Health, Environmental Health Management Section (DPH, EHMS).
I. CULTURAL RESOURCES

17. The project sponsor has agreed to retain the services of an archaeologist. The archaeologist would conduct a pre-excavation testing program to better determine the probability of finding cultural and historical remains. The testing program would use a series of mechanical, exploratory borings or trenches or other testing methods determined by the archaeologist to be appropriate.

If, after testing, the archaeologist determines that no further investigations or precautions are necessary to safeguard potentially significant archaeological resources, the archaeologist would submit a written report to the Environmental Review Officer, with a copy to the project sponsor and the San Francisco Redevelopment Agency. If the archaeologist determines that further investigations or precautions are necessary, he or she would consult with the Environmental Review Officer, and they would jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources.

These additional measures would be implemented by the project sponsor and could include a program of on-site monitoring of all site excavation, during which the archaeologist would record observations in a permanent log. The monitoring program, whether or not there are findings of significance, would result in a written report to be submitted first and directly to the Environmental Review Officer, with a copy to the project sponsor and the San Francisco Redevelopment Agency. During the monitoring program, the project sponsor would designate one individual on site as its representative. This representative would have the authority to suspend work at the site to give the archaeologist time to investigate and evaluate archaeological resources if they are encountered.

If evidence of cultural resources of potential significance were found during the monitoring program, the archaeologist would immediately notify the Environmental Review Officer, and the project sponsor would halt any activities that the archaeologist and the Environmental Review Officer jointly determine could damage such cultural resources. Ground-disturbing activities that could damage cultural resources would be suspended for a total maximum of four weeks over the course of construction.

After notifying the Environmental Review Officer, the archaeologist would prepare a written report to be submitted first and directly to the Environmental Review Officer, with a copy to the project sponsor and the Redevelopment Agency, which would contain an assessment of the potential significance of the find and recommendations for what measure should be implemented to minimize potential effects on archaeological resources. Based on this report, the Environmental Review Officer would recommend specific additional measures to be implemented by the project sponsor. These additional measures could include a site security program, additional on-site investigations by the archaeologist, or documentation, preservation, and recovery of cultural material.
Finally, the archaeologist, would prepare a report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration or recovery program is to be conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the Environmental Review Officer for review. Following approval by the Environmental Review Officer, copies of the final reports would be sent by the archaeologist directly to the project sponsor, and the San Francisco Redevelopment Agency, the President of the Landmarks Preservation Advisory Board, and the California Archaeological Site Survey Northwest Information Center. Three copies of the final archaeology reports would be submitted to the Planning Department accompanied by copies of the transmittals documenting its distribution.