RESOLUTION NO. 113-2003

Adopted July 8, 2003

AUTHORIZING AN EIGHTH AMENDMENT TO THE
DISPOSITION AND DEVELOPMENT AGREEMENT TO
PERMIT ASSIGNMENT OF THE DISPOSITION AND
DEVELOPMENT AGREEMENT WITH ARMAX YERBA
BUENA LLC, A CALIFORNIA LIMITED LIABILITY
COMPANY, TO AURORA YB, LLC, A DELAWARE
LIMITED LIABILITY COMPANY, IN CONNECTION WITH
THE PURCHASE AND DEVELOPMENT OF PARCEL 3751-
H (LOCATED ON THE NORTHEAST CORNER OF THE
INTERSECTION OF FOURTH AND HARRISON STREETS);
YERBA BUENA CENTER APPROVED REDEVELOPMENT
PROJECT AREA

BASIS FOR RESOLUTION

1. On February 27, 1996, by Resolution No. 62-99, the Redevelopment Agency of
the City and County of San Francisco ("Agency") authorized execution of the
Disposition and Development Agreement ("DDA") with Armax International,
Inc., a California corporation ("Armax International"), for the purchase and
development of the Parcel 3751-H (the "Site"), located on the northeast corner
of the intersection of Fourth and Harrison Streets, San Francisco, California, in
the Yerba Buena Center Approved Redevelopment Project Area.

2. On October 3, 1997, the Agency conveyed the Site to Armax International to
begin construction of the mixed-use commercial/retail and residential project.

3. On November 4, 1997, by Resolution No. 223-97, the Agency approved the
Assignment of the DDA by Armax International to Armax Yerba Buena LLC, a
California limited liability company ("Armax Yerba Buena").

4. Armax Yerba Buena has completed the residential portion of the development
and the Agency issued a partial Certificate of Completion dated January 22,
2003.

5. Armax Yerba Buena desires to assign all of its right, title, and interest in the
DDA to Aurora YB, LLC, a Delaware limited liability company (the
"Developer"). The Developer's members are PPF MF 788 Harrison Street, LP,
a Delaware limited partnership, its managing member ("PPF"), and Armax
Yerba Buena.

6. Pursuant to Article 6 of the DDA, Armax Yerba Buena has requested that the
Agency consent to this Assignment and Transfer ("Assignment") to the new
entity to permit the admission of equity partners, and Agency approval of an
Eighth Amendment of the DDA to provide for the Assignment and Transfer,
which Agency consent to such an Assignment and Transfer. The Developer has
the necessary qualifications and financial capability to implement and complete
the commercial/retail portion of the development of the Parcel.

7. A public hearing concerning the proposed Assignment has been duly noticed
and held in a time and manner required by law.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and
County of San Francisco that:

1. The publication of the Notice of Public Hearing concerning the proposed
assignment, pursuant to Section 33431 of the California Community
Redevelopment Law, is hereby ratified and confirmed.

2. The Executive Director is authorized to consent to the Assignment and Transfer
of the Disposition and Development Agreement from Armax Yerba Buena LLC,
a California limited liability company, to Aurora YB, LLC, a Delaware limited
liability company, in the form lodged with the Agency General Counsel with
such changes as hereafter become necessary, which changes do not materially
affect the substance of the DDA or materially increase the obligations of the
Agency.

3. The Executive Director is authorized to enter into and execute the Eighth
Amendment of the DDA with Aurora YB, LLC, a Delaware limited liability
company, substantially in the form lodged with the Agency General Counsel and
hereby approved with such changes as hereafter become necessary, which
changes do not materially affect the substance of said Eighth Amendment or
materially increase the obligations of the Agency.

APPROVED AS TO FORM:

[Signature]
Bertha A. Ontiveros
Agency General Counsel