RESOLUTION NO. 163-2005

Adopted October 18, 2005

ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING AMENDMENTS TO THE MAJOR PHASE FOR BLOCKS 41 - 43 IN THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, PURSUANT TO THE OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, LLC; 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 the Redevelopment Plan for the Mission Bay South Redevelopment Project Area ("Plan"). On the same date, the Agency adopted related documents, including Resolution No. 193-98 authorizing execution of an Owner Participation Agreement ("South OPA") and related documents between Catellus Development Corporation, a Delaware corporation ("Catellus"), and the Agency. The Plan and its implementing documents, as defined in the Plan, constitute the "Plan Documents."

2. The Plan and the Plan Documents, including the Design Review and Document Approval Procedure, designated as Attachment G to the South OPA ("DRDAP"), provide that development proposals in Mission Bay South will be reviewed and processed in "Major Phases," as defined in and consistent with the Plan and the Plan Documents. Submission of design plans and documents for any specific building ("Project") must be consistent with the requirements established for each Major Phase. The DRDAP sets forth the review and approval process for Major Phases and Projects.

3. On October 10, 2000, the Agency Commission adopted Resolution No. 199-2000, which found that the potential environmental impacts of the Major Phase Application for Blocks 41 - 43 and 45 were within the scope of impacts discussed in the Final Subsequent Environmental Impact Report (including addenda thereto, collectively referred to as the "FSEIR") certified on September 17, 1998, by the Agency (Resolution No. 182-98) and the San Francisco Planning Commission (San Francisco Planning Commission Resolution No. 14696) and approved the Major Phase Application for Blocks 41 - 43 and 45.

4. 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. The sale encompasses approximately 71 acres of land in Mission Bay. FOCIL-MB has assumed all of Catellus’s obligations under the South OPA and the Owner Participation Agreement for Mission Bay North (together 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. 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.

5. As permitted under the South OPA, FOCIL-MB, sold all of Blocks 41, 42 and 43, except for Parcel 4 ("Blocks 41 - 43") to another developer, Alexandria Real Estate Equities ("Developer"), which will develop the blocks. The Developer will be bound by all relevant terms of the South OPA and related agreements, including the requirements of the equal opportunity program and design review process.

6. Pursuant to the Plan and Plan Documents, including the DRDAP, the Developer has submitted a revised major phase application for Blocks 41 - 43 on August 26, 2005 and an edited major phase submittal on September 16, 2005 (together the "Amended Major Phase"). Block 45 is not included in this Amended Major Phase.

7. The Agency Commission previously adopted on October 4, 2005 by Resolution No. 154-2005, findings pursuant to California Environmental Quality Act ("CEQA") and the CEQA Guidelines, which findings are hereby incorporated herein by this reference as if fully set forth.

8. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Approval of the Amended Major Phase is an undertaking pursuant to and in furtherance of the Plan in conformance with Section 15180 (the "Action").

9. In accordance with the Plan and Plan Documents, including the DRDAP, Agency staff has reviewed and considered the Amended Major Phase as well as the FSEIR, and other information contained in the Agency’s files, finds them to be acceptable and recommends approval of the Amended Major Phase for Blocks 41 - 43.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco (1) that it has reviewed and considered the FSEIR and hereby adopts the Findings set forth in Resolution No. 154-2005; and (2) that the Amended Major Phase is hereby approved pursuant to the Mission Bay South Owner Participation Agreement with FOCIL-MB, LLC, a Delaware limited liability company.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel