RESOLUTION NO. 178-2005

Adopted November 1, 2005

ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING THE BLOCKS 2-7 AND 13 MAJOR PHASE APPLICATION 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 (the “Agency”) approved the Redevelopment Plan for the Mission Bay South Redevelopment Project Area (the “Plan”). On the same date, the Agency adopted related documents, including Resolution No. 193-98 authorizing execution of an Owner Participation Agreement (the “South OPA”) and related documents between Catellus Development Corporation, a Delaware corporation (“Catellus”), and the Agency. On October 26, 1998, the Board of Supervisors by Ordinance 327-98, adopted the Plan. 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 or 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. The Agency and the City Planning Department, together acting as co-lead agencies for conducting environmental review for the Plan, the South OPA and other permits, approvals and related and collateral actions (the “Project”), prepared and certified a Final Subsequent Environmental Impact Report (including addenda thereto, hereinafter collectively referred to as the “FSEIR”). In connection with the approval of the Plan, the South OPA and other Project approvals, on September 17, 1998, the Agency Commission adopted Resolution No. 182-98 which certified the 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 Guidelines. The San Francisco Planning Commission (the “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).

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 (the “City”). 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. Pursuant to the Plan and Plan Documents, including the DRDAP, FOCIL-MB has submitted a major phase application for Blocks 2-7 and 13 on June 28, 2005, an edited major phase submittal on August 1, 2005, and a final major phase application on October 26, 2005 (the “Blocks 2-7 and 13 Major Phase”). As provided for in Section 2.2 of the Mission Bay South Housing Program (Attachment C to the South OPA), the Blocks 2-7 and 13 Major Phase, contemplates the exchange of Block 5, an Approved Site (as defined in the Mission Bay South Housing Program) for an equivalent amount of land in the Mission Bay South Redevelopment Project Area consisting of Block 6 West and a portion of Block 13.

6. The Agency Commission previously adopted on October 4, 2005, by Resolution No. 154-2005, findings pursuant to CEQA and the CEQA Guidelines, which findings are hereby incorporated herein by this reference as if fully set forth.

7. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Approval of the Blocks 2-7 and 13 Major Phase is an undertaking pursuant to and in furtherance of the Plan in conformance with Section 15180 (the “Action”).

8. In accordance with the Plan and Plan Documents, including the DRDAP, Agency staff has reviewed and considered the Blocks 2-7 and 13 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 Blocks 2-7 and 13 Major Phase.

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 Blocks 2-7 and 13 Major Phase, including the exchange of Block 5, an Approved Site (as defined in the Mission Bay South Housing Program) for an equivalent amount of land in the Mission
Bay South Redevelopment Project Area consisting of Block 6 West and a portion of Block 13, is hereby approved pursuant to the Mission Bay South Owner Participation Agreement with FOCIL-MB, LLC.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel