

RESOLUTION NO. 55-2006

Adopted April 18, 2006

CONDITIONALLY APPROVING A REVISED OVERALL DEVELOPMENT PLAN AND SCHEMATIC DESIGN FOR PARCEL X4 LOCATED AT 409 AND 499 ILLINOIS STREET IN MISSION BAY SOUTH PURSUANT TO AN OWNER PARTICIPATION AGREEMENT WITH X-4 DOLPHIN LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; 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 a proposed Redevelopment Plan for the Mission Bay South Redevelopment Project Area ("Plan"). On November 2, 1998, the San Francisco Board of Supervisors ("Board of Supervisors") by Ordinance 335-98 adopted the Plan. The Plan and its implementing documents, as defined in the Plan, constitute the "Plan Documents." The Plan, together with permit approvals and other actions implementing the Plan are hereafter referred to as (the "Project").
2. On September 17, 1998, the Agency adopted Resolution No. 182-98 which certified the Final Subsequent Environmental Impact Report (including any addenda thereto, hereinafter collectively referred to as the "FSEIR") as a program EIR for the Project pursuant to the California Environmental Quality Act ("CEQA") and State CEQA Guidelines section 15180. On the same date the Agency also adopted Resolution No. 183-98, which adopted environmental findings (and a statement of overriding considerations), in connection with the approval of the Plan and other Project approvals. The San Francisco Planning Commission ("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.
3. On April 17, 2001, by Resolution No. 61-2001, the Agency authorized the execution of an Owner Participation Agreement ("OPA") with Esprit de Corp., a California corporation, for the development of Parcel X4 in the Mission Bay South Redevelopment Project Area located at 409 and 499 Illinois Street and determined the OPA to be an action that implements the Plan whose environmental impacts are within the scope of the FSEIR and do

not require additional environmental review based on State CEQA Guidelines Section 15162. After the execution of the OPA, Esprit de Corp. changed its corporate name to ECOR-SF Inc., a California corporation, and assigned its rights under the OPA to ECOR-SF Holdings, Inc., a Delaware corporation ("ECOR").

4. Under the Plan and the OPA, Parcel X4 may be developed with up to 450,000 leasable square feet of Commercial Industrial/Retail uses. The OPA provides that ECOR, or other future owners of the site, must return to the Agency for review and approval of any specific development proposal for Parcel X4. Section 6 of the OPA sets forth the development submittal requirements, and the review and approval process for permitted development. The owner must submit an "Overall Development Plan" for Parcel X4, which sets out the development plan for the site. The specific design of any building on Parcel X4 must be provided through specific building design documents.
5. In accordance with the OPA, ECOR submitted a combined Overall Development Plan and Schematic Design submission for Parcel X4, dated October 17, 2002, which provides for the development of a 449,878 leasable square foot office building and includes 15,053 square feet of retail and an approximately 45,000 square foot publicly available private courtyard open space.
6. The Planning Commission has approval authority over the design of any particular office development project reviewed pursuant to Section 304.11 of the Plan. The Planning Commission reviewed the design described in recital 5 above and issued an office development project authorization for Parcel X4 on December 5, 2002, pursuant to the provisions of Section 304.11 of the Plan (Planning Commission Resolution No. 16483). The Planning Commission's decision on the design of any particular office development project reviewed pursuant to Section 304.11 of the Plan is binding on the Agency Commission.
7. On January 21, 2003, by Resolution No. 9-2003, the Agency Commission approved the aforementioned Overall Development Plan and Schematic Design submitted by ECOR for Parcel X4 and adopted CEQA findings and a statement of overriding considerations.
8. On August 8, 2005, Parcel X4 was acquired by X-4 Dolphin LLC, a subsidiary of the Shorenstein Company.
9. On December 6, 2005, by Resolution No. 194-2005, the Agency Commission approved an amendment to the schedule of performance for Parcel X4 to allow time for the new owner to adapt the previously approved plans to accommodate life science and biotechnology research uses.

10. On April 10, 2006, X-4 Dolphin LLC submitted a final, revised Overall Development Plan and Schematic Design submission for Parcel X4 that provides for an alternative building use (biotechnology research) that is permitted under the Plan. The revised development program includes approximately 435,688 leasable square feet of office or life science and biotechnology research space, 14,312 leasable square feet of ground floor retail area and approximately one acre of publicly accessible open space.
11. The Agency has reviewed the revised Overall Development Plan and Schematic Design submission submitted by X-4 Dolphin LLC, as provided in the OPA, finds it acceptable, and recommends approval thereof, subject to the resolution of certain conditions.
12. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA guidelines Section 15180. Approval of the revised Overall Development Plan and Schematic Design submission for Parcel X4 is an undertaking pursuant to and in furtherance of the Plan in conformance with CEQA Section 15180 ("Implementing Action").
13. Agency staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FSEIR and has made documents related to the Implementing Action and the FSEIR files available for review by the Agency Commission and the public, and these files are part of the record before the Agency Commission.
14. The FSEIR findings and statement of overriding considerations adopted in accordance with CEQA by the Agency Commission by Resolution Nos. 183-98 dated September 17, 1998 and 9-2003 dated January 21, 2003, were and remain adequate, accurate and objective and are incorporated herein by reference as applicable to the Implementing Action.

FINDINGS

The Agency finds and determines that the revised Overall Development Plan and Schematic Design submission is an Implementing Action within the scope of the Project analyzed in the FSEIR and requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162 and 15163 for the following reasons:

1. The Implementing Action does not incorporate substantial changes into the Project analyzed in the FSEIR, and will not require major revisions to the FSEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

2. No substantial changes have occurred with respect to the circumstances under which the Project analyzed in the FSEIR was undertaken which would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR.
3. No new information of substantial importance to the Project analyzed in the FSEIR has become available which would indicate that (a) the Implementing Action will have significant effects not discussed in the FSEIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FSEIR will substantially reduce one or more significant effects on the environment.

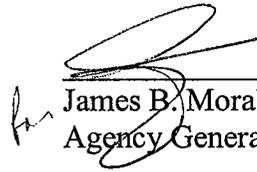
RESOLUTION

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 findings and statement of overriding considerations and hereby adopts the CEQA Findings set forth in Resolution Nos. 183-98 and 9-2003 incorporated herein and those set forth above; and (2) that the Parcel X4 Overall Development Plan and Schematic Design submission is hereby approved pursuant to the Owner Participation Agreement with X-4 Dolphin LLC, a Delaware limited liability company, subject to the following conditions:

1. The courtyard open space shall be open and accessible to the public during reasonable daylight hours, as documented in a legally binding instrument in a form satisfactory to the Executive Director, to be recorded against the property prior to the issuance of the final construction permit for the Project.
2. The building materials, landscape design and additional finishes and architectural detailing are subject to further review and approval by Agency staff during Design Development.
3. The Developer shall make best efforts to accommodate the necessary storm water pump station that is currently planned for Mission Bay open space parcel P23 on the Parcel X4. The Developer will locate the pump station in a visually unobtrusive location in unprogrammed garage space or elsewhere on the project site, providing the inclusion does not cause unreasonable delay in the construction of the project. The Developer shall provide a written report to the Executive Director on the status of the pump station location within six months of project approval.

4. A minimum 10-inch deep recess in the fenestration of the walls framing the outdoor entryway off Illinois Street and leading to the podium-level open space plaza is required.

APPROVED AS TO FORM:



James B. Morales
Agency General Counsel