

File No. 231132

Committee Item No. 4

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date November 29, 2023

Board of Supervisors Meeting Date _____

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Draft Maintenance and Operations Agreement</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Draft Agreement Exhibit A</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Draft Agreement Exhibit B</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Draft Agreement Exhibit C</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Draft Agreement Exhibit D</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Port Commission Resolution No. 23-44 10/10/2023</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>RPC Resolution No. 2310-006 10/19/2023</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>CCII Resolution No. 32-2023 11/7/2023</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>CAT Determination – GP Referral Not Required 10/27/2023</u>
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Brent Jalipa Date November 21, 2023

Completed by: Brent Jalipa Date _____

1 [Agreement - Mission Bay Parks and Open Spaces - Maintenance and Operations and
2 Termination of Ground Lease]

3 **Resolution authorizing an agreement with the Office of Community Investment and**
4 **Infrastructure (OCII), operating as the Successor Agency to the San Francisco**
5 **Redevelopment Agency, acting in its capacity as the legislative body of Community**
6 **Facilities District No. 5 (Mission Bay Maintenance District), for the City to receiving**
7 **funding for its operation and maintenance of the Mission Bay Parks, and to authorize**
8 **the Port and the Recreation and Park Department to coordinate the operation and**
9 **maintenance; authorizing the termination of OCII's Ground Lease to the Mission Bay**
10 **Parks; and to authorize the Port Executive Director and the Recreation and Park**
11 **Department General Manager to enter into amendments or modifications to the**
12 **agreement that do not materially increase the obligations or liabilities to the City and**
13 **are necessary to effectuate the purposes of the agreement or this Resolution.**

14
15 WHEREAS, The City's Board of Supervisors approved the Redevelopment Plan for the
16 Mission Bay North Project on October 26, 1998, by Ordinance No. 327-98, and the
17 Redevelopment Plan for the Mission Bay South Project on November 2, 1998, by Ordinance
18 No. 335-98 (collectively, the "Redevelopment Plans"); and

19 WHEREAS, The Redevelopment Plans and related plan documents provide for the
20 development of parks, public open spaces, and plazas on certain State Trust parcels that are
21 zoned for open space and primarily assigned to the jurisdiction of Public Works for permitting
22 purposes; and

23 WHEREAS, To implement the Redevelopment Plans, the Redevelopment Agency of
24 the City and County of San Francisco ("Former Agency") entered into the Mission Bay North
25 Owner Participation Agreement and the Mission Bay South Owner Participation Agreement

1 (collectively, the “OPAs”) whereby Catellus Development Corporation and its successors (the
2 “Master Developer”) became obligated to develop these public open spaces, parks, and
3 plazas (the “Mission Bay Parks”); and

4 WHEREAS, Once the Master Developer completed any subset of Mission Bay Parks
5 improvements and the City accepted them, the Former Agency managed and maintained
6 them pursuant to its Ground Lease with the City dated for reference purposes as of
7 November 16, 2001, as amended (the “Agency Ground Lease”); and

8 WHEREAS, On December 21, 1999, by Resolution No. 217-99 (“Resolution of
9 Formation”), the Former Agency formed the City and County of San Francisco Community
10 Facilities District No. 5 (“CFD No. 5”) under the Mello-Roos Community Facilities Act of 1982,
11 Government Code, Sections 53311 et seq., and the qualified electors in CFD No. 5 approved
12 a special assessment to fund the ongoing operation, maintenance, and repair of specific Open
13 Space Parcels, as defined in the OPAs, until fiscal year 2043-44; and

14 WHEREAS, The OPAs and CFD No. 5 formation documents provide that the
15 maintenance costs of the Open Space Parcels shall be payable from the special assessments
16 and not from redevelopment tax increment; and

17 WHEREAS, In 2012, under the Redevelopment Dissolution Law, Cal. Health & Safety
18 Code, Sections 34170 et seq., and Board of Supervisors Ordinance No. 215-12, the
19 Successor Agency to the Redevelopment Agency of the City and County of San Francisco
20 (commonly known as the Office of Community Investment and Infrastructure or “OCII”)
21 succeeded to the role of the Former Agency and assumed certain rights and obligations under
22 the Redevelopment Plans, Plan Documents (as defined in the Redevelopment Plans), and the
23 Agency Ground Lease, subject to certain state requirements to complete and dispose of
24 redevelopment assets; and
25

1 WHEREAS, The Redevelopment Dissolution Law requires OCII to dispose of the
2 Former Agency's real property interests, including the Agency Ground Lease; and

3 WHEREAS, The Oversight Board of the City and County of San Francisco approved,
4 by Resolution No. 14-2015 (Nov. 23, 2015), a long range property management plan for OCII
5 that requires OCII to terminate its leasehold interests in the Mission Bay Parks, but that
6 acknowledges OCII's continuing administration of CFD No. 5 maintenance funds; and

7 WHEREAS, On December 7, 2015, the California Department of Finance approved
8 the Oversight Board's action; and

9 WHEREAS, As the remaining Mission Bay Parks are completed and as OCII and City
10 prepare to terminate the Agency Ground Lease, they also wish to enter into an Agreement for
11 Maintenance and Operations of Mission Bay Parks and Open Spaces Agreement ("Mission
12 Bay Parks Agreement"), to ensure that CFD No. 5 will continue to fund the operation,
13 maintenance, and repair of the Mission Bay Parks, and to allow the Port of San Francisco
14 ("Port") and Recreation and Park Department ("RPD") to operate and maintain the Mission
15 Bay Parks in a coordinated and integrated manner; and

16 WHEREAS, Due to timing constraints, Port and RPD anticipate seeking a formal
17 jurisdictional transfer of the Mission Bay Parks from Public Works public right-of-way
18 jurisdiction by means of a separate Ordinance to be submitted to the Board of Supervisors in
19 early 2024; and

20 WHEREAS, City anticipates revenue of over \$1,000,000 from the Mission Bay Parks
21 Agreement, and the term of the Mission Bay Parks Agreement is longer than 10 years; and

22 WHEREAS, A copy of the Mission Bay Parks Agreement is on file with the Clerk of the
23 Board of Supervisors in File No. 231132; and

24 WHEREAS, As required by the Redevelopment Dissolution Law, OCII and City desire
25 to terminate the Agency Ground Lease as provided in the Mission Bay Parks Agreement; and

1 WHEREAS, By Resolution No. 32-2023 (Nov. 7, 2023), the Successor Agency
2 Commission, in its capacity as legislative body for the CFD No. 5, approved the Mission Bay
3 Parks Agreement; and

4 WHEREAS, The Port Commission on October 10, 2023 by Resolution No. 23-44 and
5 the Recreation and Park Commission on October 19, 2023 by Resolutions No. 2310-006,
6 recommended approval of the Mission Bay Parks Agreement; and

7 WHEREAS, Copies of these Resolutions are on file with the Clerk of the Board of
8 Supervisors in File No. 231132; and

9 WHEREAS, The Mission Bay Parks Agreement constitutes a joint community facilities
10 agreement under the Mello-Roos Community Facilities Act of 1982, Government Code,
11 Section 53316.2, which authorizes services to be provided by a public agency other than the
12 agency that created the community facilities district and further provides that such an
13 agreement may be entered into at any time to allow for an orderly transition of governmental
14 facilities and finances resulting from the Redevelopment Dissolution Law's reorganization and
15 limitation of redevelopment authority exercised by OCII; and

16 WHEREAS, Charter, Section 9.118, requires Board of Supervisors approval of a
17 contract having anticipated revenue of \$1,000,000 or more; now, therefore, be it

18 RESOLVED, That the Board of Supervisors approves the Mission Bay Parks
19 Agreement, including termination of the Agency Ground Lease, and authorizes the Port
20 Executive Director or his or her designee and the RPD General Manager or his or her
21 designee to execute the Mission Bay Parks Agreement in substantially the form on file with
22 the Clerk of the Board of Supervisors; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors authorizes the Port Executive
24 Director or his or her designee and the RPD General Manager or his or her designee to enter
25 into any additions, amendments, or other modifications to the Mission Bay Parks Agreement,

1 including with Public Works, that the Port Executive Director and the RPD General Manager,
2 in consultation with the City Attorney, determine, when taken as a whole, to be in the best
3 interest of the City, do not materially increase the obligations or liabilities of the City, and are
4 necessary or advisable to complete the transactions which this Resolution contemplates and
5 effectuate the purpose and intent of this Resolution, such determination to be conclusively
6 evidenced by the execution and delivery by the Port Executive Director and the RPD General
7 Manager of such documents; and, be it

8 FURTHER RESOLVED; That within thirty (30) days of the Mission Bay Parks
9 Agreement being fully executed by all parties, the Port and/or RPD shall provide copies of the
10 Mission Bay Parks Agreement to the Clerk of the Board for inclusion into the official file.

**JOINT COMMUNITY FACILITIES AGREEMENT FOR MAINTENANCE AND
OPERATIONS OF MISSION BAY PARKS AND OPEN SPACES
BY AND BETWEEN
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO AND
THE CITY AND COUNTY OF SAN FRANCISCO**

THIS JOINT COMMUNITY FACILITIES AGREEMENT FOR MAINTENANCE AND OPERATIONS OF MISSION BAY PARKS AND OPEN SPACES ("**Agreement**") dated for reference purposes only as of _____, is entered into by the City and County of San Francisco ("**City**"), acting by and through the San Francisco Port Commission ("**Port**") and its Recreation and Park Department ("**RPD**"), and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California (commonly known as the Office of Community Investment and Infrastructure or "**OCII**") acting in its capacity as the legislative body of Community Facilities District No. 5 (Mission Bay Maintenance District).

RECITALS

A. The City's Board of Supervisors approved, by Ordinance No. 327-98 (Oct. 26, 1998) and by Ordinance No. 335-98 (Nov. 2, 1998), the Redevelopment Plan for the Mission Bay North Project and the Redevelopment Plan for the Mission Bay South Project, respectively (collectively, the "**Redevelopment Plans**").

B. The Redevelopment Plans and related plan documents provide for the development of parks and designate the location of parks in areas zoned for open space, among other things. The Redevelopment Plans expire in late 2028.

C. To implement the Redevelopment Plans, the Redevelopment Agency of the City and County of San Francisco ("**Former Agency**") entered into the Mission Bay North Owner Participation Agreement and the Mission Bay South Owner Participation Agreement (collectively, the "**OPAs**") whereby Catellus Development Corporation and its successors (the "**Master Developer**") became obligated to develop public open spaces, parks and plazas on land owned by the City that was designated as Open Space Parcels in the Mission Bay Maintenance District, as shown in Exhibit A (the "**Mission Bay Parks**"). Under the OPAs, the Former Agency and its successors became obligated to reimburse the Master Developer for the costs of developing the Mission Bay Parks and other infrastructure.

D. Once the Master Developer completed any subset of Mission Bay Parks improvements and the City accepted them, the Former Agency managed and maintained them pursuant to that certain Ground Lease dated for reference purposes as of November 16, 2001, as amended (the "**Agency Ground Lease**"). Those Mission Bay Parks that have been completed and accepted and are managed and maintained pursuant to the Agency Ground Lease are identified as NP1, NP2, NP3, NP4, NP5, P1, P5, P6, P10, P11, P11A, P16, P17, P18, P21, P23, P24 and P26, as identified on Exhibit A (the "**Completed Mission Bay Parks**"), and are a subset of the Mission Bay Parks. The Completed Mission Bay Parks will be managed, operated, maintained, repaired, and funded pursuant to this Agreement.

E. The City owns the fee interest in real property for all of the Mission Bay Parks. The Master Developer leases the Mission Bay Parks from the City that have not yet been completed pursuant to that certain Master Lease dated as of June 30, 1999 (the “**Master Developer Ground Lease**”). Those as-yet undeveloped Mission Bay Parks are identified as P2, P7, P8, P9, P12, P13, P15, P19, P22 and P27, as shown on Exhibit B (the “**Future Mission Bay Parks**”), and are a subset of the Mission Bay Parks. Upon completion of any of the Future Mission Bay Parks and once the City’s Board of Supervisors accepts the improvements thereon, the Master Developer Ground Lease as to each such Future Mission Bay Park will be terminated and such Future Mission Bay Parks will be managed, operated, maintained, repaired, and funded pursuant to this Agreement.

F. Certain portions of the Mission Bay Parks are subject to the common law public trust for commerce, navigation and fisheries, and/or the Burton Act statutory trust (Chapter 1333 of Statutes 1968, as amended) as more particularly described in that certain Amended and Restated Agreement Concerning the Public Trust dated for reference purposes as of November 16, 1998. The property subject to the Burton Act statutory trust and the common law public trust obligations applicable to the Mission Bay Parks are depicted on Exhibit C. Those Mission Bay Parks that are subject to the Burton Act statutory trust are referred to herein as the “**Port Lands**.”

G. On December 21, 1999, by Resolution No. 217-99 (“**Resolution of Formation**”), the Former Agency formed the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (“**CFD No. 5**”) under the Mello-Roos Community Facilities Act of 1982, Gov’t Code § 53311 et seq. The purpose of CFD No. 5 is to provide funding for the ongoing operation, maintenance and repair of Mission Bay Parks, as defined in the OPAs and in Exhibit A (Description of Services to be Financed by the District) of the Resolution of Formation. CFD No. 5 funds will remain available to cover park operation, maintenance and repair costs until 2043; provided, however, such funds are not expected to be sufficient to cover all such operation, maintenance and repair costs.

I. Following the 1999 special election of qualified electors in CFD No. 5, the CFD No. 5 levied a special tax to maintain the Mission Bay Parks as described in the Resolution of Formation. Special taxes within CFD No. 5 are levied pursuant to the methodology in the Rate and Method of Apportionment of Special Tax (the “**RMA**”), which was adopted as an exhibit to the Resolution of Formation of CFD No. 5. The Mello-Roos Community Facilities Act, the Resolution of Formation, RMA, and related documents are referred to as the “**CFD Requirements**.”

E. Under Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq., OCII, as successor to the Former Agency, has assumed the rights and obligations under the Redevelopment Plans, Plan Documents (as defined in the Redevelopment Plans) and the Agency Ground Lease, subject to certain state requirements to complete and dispose of redevelopment assets. Cal. Health & Safety Code § 34191.5. Under Ordinance No. 215-12, the City’s Board of Supervisors established the Successor Agency Commission and delegated to it the state authority to implement and complete surviving redevelopment projects.

K. The Redevelopment Dissolution Law requires OCII to dispose of the Former Agency’s real property interests, including the Agency Ground Lease. The Oversight Board of the City and County of San Francisco approved, by Resolution No. 14-2015 (Nov. 23, 2015), a

long range property management plan for OCII that requires OCII to terminate its leasehold interests in the Mission Bay Parks, but that acknowledges OCII's continuing administration of CFD No. 5 maintenance funds, which are authorized under state authority separate from the Redevelopment Dissolution Law. On December 7, 2015, the California Department of Finance approved the Oversight Board's action.

L. RPD manages over 4,000 acres of recreational land, which includes 181 playgrounds and play areas, 82 recreation centers and club houses, 222 neighborhood parks, and serves over 880,000 San Francisco residents. RPD's long-term commitment, values, mission, ties with community partners, and broad reach make it the ideal party to operate the Mission Bay Parks.

M. The Port of San Francisco manages 7.5 miles of waterfront subject to the Public Trust that is home to popular destinations and attractions, historic districts, small businesses and robust maritime opportunities. The Port manages 150 acres of shoreline open spaces and parks that serve all of Californians and visitors from around the world. The Port works to advance environmentally and financially sustainable maritime, recreational, and economic opportunities for the City, Bay Area, and California.

N. San Francisco Public Works ("PW") is not a party to this Agreement, but has existing and continuing jurisdiction over certain Open Space Parcels in the Mission Bay Maintenance District, namely P10, P11, and P11A. This Agreement is intended to provide CFD No. 5 funds for the maintenance and repair of these particular parcels through the administration of RPD, which shall either use the funds directly, or work with the City to allocate funds to PW, to fulfill the CFD Requirements.

O. The parties now wish to enter into this Agreement and to terminate the Agency Ground Lease, identify the City department that will have jurisdiction over each portion of the Mission Bay Parks, describe how funds will be distributed from CFD No. 5 to fulfill the requirements under the Resolution of Formation for operation, maintenance, and repair of Open Space Parcels, and to allow the Port and RPD to operate and maintain the Mission Bay Parks in a coordinated and integrated manner as described in this Agreement.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

AGREEMENT

1. RECITALS

The foregoing recitals are true and correct and are incorporated herein by this reference.

2. TERMINATION OF AGENCY GROUND LEASE; JURISDICTION

(a) Termination of Agency Ground Lease. The City and OCII hereby terminate the Agency Ground Lease effective as of the Effective Date (as defined below in Section 4). OCII will surrender possession of the Premises (as defined in the Agency Ground Lease) to City and the City will accept the surrender of the Premises in accordance with all terms and

conditions of the Agency Ground Lease (including, without limitation, Section 24 thereof). Nothing herein will limit any of OCII's obligations, whether under law, or the Agency Ground Lease that expressly survive the termination of the Agency Ground Lease.

(b) Department Jurisdiction of Mission Bay Parks. The Mission Bay Parks are primarily in the jurisdiction of City's PW. The City anticipates enacting an ordinance pursuant to which the Mission Bay Parks will be transferred to the jurisdiction of Port and RPD (the "**Transfer Ordinance**") consistent with the jurisdiction shown on Exhibit D. Subject to the City's Board of Supervisors approval, upon effectiveness of and consistent with the Transfer Ordinance, the Port will have jurisdiction over those Mission Bay Parks that are within Port Lands. Accordingly, the Port will have jurisdiction over the following Mission Bay Parks: Portions of P1, P2, P8, and P16, and all of P17 through P24, as shown on Exhibit D. Upon effectiveness of and consistent with the Transfer Ordinance, other than P10, P11 and P11A which will remain under PW jurisdiction, RPD will have jurisdiction over the remainder of the Mission Bay Parks, as shown on Exhibit D.

(c) Design, Development, and Jurisdiction of Future Mission Bay Parks. Pursuant to the Plan Documents, design and development of the Future Mission Bay Parks is an obligation of the Master Developer and design review and approval thereof is a responsibility of OCII. The Plan Documents specify that OCII will have primary design review authority, and the Master Developer will be responsible for the construction of the Future Mission Bay Parks. OCII will collaborate with Port and RPD on the public outreach, design and development of the Future Mission Bay Parks. To the extent consistent with the Plan Documents, OCII will share draft designs, conduct a design review process in collaboration with Port and RPD consistent with Port and RPD plan review processes (including, at RPD's election, RPD Commission review of concept plans, and RPD Structural Maintenance Yard review of construction documents), and consider any feedback from Port and RPD regarding any design elements that may impact the operation and maintenance of such facilities; provided, however, that nothing herein shall amend or adversely affect OCII's financial obligations under the Plan Documents. To the extent feasible, any final designs will be consistent with Port and RPD maintenance and design standards. Furthermore, OCII will collaborate with Port and RPD on any public outreach in connection with the design and development of the Future Mission Bay Parks. The parties anticipate that the Future Mission Bay Parks outside of Port Lands will be placed under the jurisdiction of RPD and those located within Port Lands will be placed under the jurisdiction of the Port upon acceptance by the City, unless the Board of Supervisors designates a different department at the time of the City's acceptance.

(d) City's Real Property Records. The Port and RPD will request the City's Director of Property to update the City's Real Property Records upon the effective date of the Transfer Ordinance, and upon any City acceptance of parks, streets or public rights of way in the Future Mission Bay Parks, to reflect the jurisdiction of the Port and RPD (or other City department prescribed in the Transfer Ordinance) as described above.

(e) SFPUC Facilities. All water, wastewater, and stormwater systems, lines and related facilities in Mission Bay that have been accepted by the City on behalf of the San Francisco Public Utilities Commission ("**SFPUC**") will remain under the jurisdiction of the SFPUC. Each City department with jurisdiction over lands in Mission Bay will provide access

as needed to the SFPUC to maintain and repair the SFPUC facilities consistent with other SFPUC facilities in the City. The SFPUC will be responsible for any damage done in connection with its use of the Mission Bay Parks. The parties hereby acknowledge that the Memorandum of Understanding dated June 12, 2019 by and between SFPUC and OCII will automatically terminate upon termination of the Agency Ground Lease by operation of law.

(f) Improvements or Alterations. Any improvements or alterations that are not general maintenance and repairs will be approved and completed by or on behalf of the City department that manages the applicable site, without cost to the other City departments, provided that a City department that is managing property on behalf of another City department will first give notice of the proposed improvements or alterations to the other department, and those parties agree to work together in good faith to implement the proposed improvements and alterations. Improvements within Port Lands must be approved by the Port.

(g) No Limitation of Charter, Departmental, or OCII Authority. Nothing in this Agreement is intended to limit the authority of OCII under the Plan Documents or CFD No. 5 or limit the Charter authority or regulatory authority of any City department as it relates to the Mission Bay Parks, including the authority of the City's Police, Fire, San Francisco Municipal Transportation Authority, SFPUC, Arts, Planning, Department of Building Inspection, and PW departments.

3. PARK CODES, PUBLIC TRUST, AND RESTRICTIONS

(a) Port Code, Park Code, and BCDC. The parties agree that the Mission Bay Parks are and will generally remain open to members of the general public for use and enjoyment, consistent with other parks in the City, and subject to the Redevelopment Plans and related plan documents, applicable Municipal Codes including the City's Port Code and City's Park Code (the "**Park Codes**") and other applicable laws, as amended from time to time. The Mission Bay Parks will also be used and maintained in accordance with applicable recorded restrictions and certain regulatory requirements imposed by the Bay Conservation and Development Commission ("**BCDC**") under Permit #2000.005.08 (last amended in August 2022), as amended.

(b) Public Trust Requirements. The Mission Bay Parks are subject to the requirements of the Mission Bay Exchange Act (Stats 1991 ch 1143; Stats 1997 ch 203). The Mission Bay Parks within Port Lands are subject to the requirements of the Burton Act (Chapter 1333, Statutes of 1968), and all of the Mission Bay Parks are subject to the requirements of the California Public Resources Code section 6303, et seq., each as amended from time to time (together, the "**Public Trust Requirements**"). RPD and the Port agree to comply with the Public Trust Requirements in using the funds available under this Agreement. The City department responsible for managing the various Mission Bay Parks will be responsible for complying with these substantive and procedural requirements, including any reporting requirements to the California State Lands Commission. The Port and RPD will cooperate and work together on fulfilling any reporting requirements relating to the Mission Bay Parks. While the City departments anticipate that the cost of operating and maintaining the Mission Bay Parks will significantly exceed any revenues received from the Mission Bay Parks, the Port and RPD agree to maintain accounting of such revenues and expenditures, and to comply with the following:

- All revenues received from trust lands and trust assets administered or collected by a trustee of granted public trust lands will be expended only for those uses and purposes consistent with the public trust.
- All funds received or generated from trust lands or trust assets will be segregated in separate accounts from non-trust received or generated funds.
- To the extent required by an applicable statutory grant, on or before December 31 of each year, each department managing the Mission Bay Parks will file with the State Lands Commission a detailed statement of all revenues and expenditures relating to its managed trust lands and trust assets, including obligations incurred but not yet paid, covering the fiscal year preceding submission of the statement.
- The statement will be prepared in accordance with generally accepted accounting principles, and will conform to any standardized reporting form developed by the State Lands Commission.

4. EFFECTIVE DATE; TERM

(a) Effective Date. The "**Effective Date**" of this Agreement is when fully executed and approved by the Successor Agency Commission, the Port Commission, the RPD Commission, and City's Board of Supervisors.

(b) Term; Department Right to Terminate. The term of this Agreement begins on the Effective Date and continues until the expiration of CFD No. 5, unless earlier terminated under this Agreement, but in no event later than November 1, 2089. In addition, the Port, RPD, or OCII may initiate a proposed termination of this Agreement by providing notice to the other parties by December 31 of any given year, which termination will be effective on the June 30th that is no earlier than 18 months after such notice. Upon receipt of such notice, the parties agree to meet and confer for not less than 120 days to see if they can agree upon any amendments to this Agreement or if they agree upon the terms and conditions of any termination of this Agreement. Any termination must be in writing, and will be subject to the prior approval of the Port Commission, the RPD Commission, and Successor Agency Commission, each in their sole discretion; provided, if one Commission approves a termination and the other Commission does not, the City department seeking termination may effectuate a termination upon the prior approval of the Board of Supervisors by resolution, and subject to such terms and conditions as may be determined by the Board as a policy matter. Upon any termination of this Agreement, the City department with jurisdiction of any portion of the Mission Bay Parks will be responsible for funding and performing all maintenance and operations relating to that property.

5. MANAGEMENT OF MISSION BAY PARKS; CFD FUNDING

(a) Management Responsibility of RPD and Port. RPD will operate, manage, and maintain all of the completed and accepted Mission Bay Parks within RPD jurisdiction and any Future Mission Bay Parks placed within RPD jurisdiction, as well as the following Mission Bay Parks within the Port Lands: P1, P2, P8, P16 and P17 (collectively, the "**RPD Managed Parks**"). The Port will operate, manage, and maintain the remainder of the

completed and accepted Mission Bay Parks within the Port Lands and any Future Mission Bay Parks placed within Port jurisdiction (the “**Port Managed Parks**”).

(b) Operations Plan. A primary objective of this Agreement is to ensure the smooth and integrated operation and maintenance of the Mission Bay Parks notwithstanding the separation of jurisdiction and maintenance responsibilities between the Port and RPD. Following the Effective Date, the Port and RPD staff will create an operations and program plan for all of the Mission Bay Parks (the “**Operations Plan**”), subject to review and approval by OCII acting as CFD No. 5, and to meet annually (in January), or such other period as requested by either department or OCII, to review and update the Operations Plan as needed. The Operations Plan may include rules and regulations governing the public’s use of the Mission Bay Parks, or the City departments may instead rely on the rules and regulations in the Park Codes, subject to consistency with the Redevelopment Plans and Plan Documents until their expiration. Subject to the approval of OCII (which approval shall only be required for amendments to program plans but not specific events), the Port and RPD may agree to amend the Operations Plan at any time.

(c) CFD No. 5 Funding. The qualified electors of CFD No. 5 voted to create a community facilities district and authorized a special tax assessment that OCII administers to fund the maintenance of the Mission Bay Parks. In addition, OCII may receive funding directly from developers and other parties to supplement the CFD No. 5 Funding and this supplemental funding will be considered CFD No. 5 Funds for purposes of this Agreement and will be allocated to the Port and RPD consistent with OCII’s obligations under applicable provisions of the Mission Bay South Owner Participation Agreement, the CFD Requirements, and this Agreement. OCII, acting as the legislative body of CFD No. 5, has the obligation to cause the Mission Bay Parks to be operated, maintained and repaired in good order, condition and repair. For so long as CFD No. 5 exists, OCII, acting as the legislative body of CFD No. 5, will approve, in its sole discretion, an annual budget for CFD No. 5 Funds consistent with CFD Requirements detailing the maximum amount of funding available for the maintenance and operations of the Mission Bay Parks after deducting its reasonable administrative costs. OCII will review and approve the Operations Plan for the Mission Bay Parks, and will transfer to the City, subject to appropriation in the CFD annual budget, the CFD No. 5 funds available to implement the Operations Plan, after deducting its reasonable administrative costs. The parties agree to work together in good faith to maximize available funding from the CFD No. 5. Nothing in this Agreement may be construed as requiring or authorizing OCII to use property tax revenues (formerly tax increment) to fund the maintenance of the Mission Bay Parks.

(d) Security and Utilities. The City department responsible for maintenance will also be responsible for appropriate security services and code enforcement, and the procurement of and payment for any required utilities, for the property under its management.

(e) Transfer of Management Responsibilities. RPD and the Port may transfer management, operation, and maintenance responsibilities between them from time to time, with the consent of OCII acting as the CFD No. 5, the General Manager of RPD, and the Executive Director of the Port. Any such transfer must be in writing, and RPD and the Port will work with the Controller, the Mayor’s Budget Director, and OCII to ensure that the CFD No. 5 funding is divided equitably each fiscal year.

(f) Coordination of Operation and Management. RPD and the Port, in consultation with OCII acting as CFD No. 5, will meet and confer from time to time at the request of either department, to coordinate efforts, ensure consistency, and address any operational, programming, maintenance or repair issues. Each department will designate a contact person for such matters. The initial contact persons are: for RPD, Director of Operations, for Port, Deputy Director of Real Estate, and for OCII, Deputy Director of Projects and Programs.

(g) Funding and Budget. RPD and the Port will each maintain the Mission Bay Parks that it assumes responsibility for under this Agreement consistent with the Redevelopment Plan and Plan Documents until they expire, CFD Requirements, the Operations Plan, and with the other parks and open spaces that it maintains in the City, subject to available funding. Nothing in this Agreement requires OCII or the City departments to spend funds that have not been appropriated for the Mission Bay Parks in their annual budgets. Both RPD and the Port shall seek budget authorizations and funding to maintain the Mission Bay Parks consistent with the standards for maintenance set forth in this Agreement and as may be agreed to by the departments from time to time; however any final budget decisions of the City regarding non-CFD No. 5 Funds are subject to the approval of the Mayor and the Board of Supervisors, each in their sole discretion.

RPD and the Port will work together to create annual budgets and to agree upon an equitable method of dividing the CFD No. 5 funds for the Mission Bay Parks between them each year, in consultation with the Controller and approval by OCII. Criteria that may provide the basis of such allocation may include acreage maintained, personnel hours using an agreed upon formula, historical utility usage, or other relevant criteria. Subject to Section 5(c) above, OCII may consider non-CFD revenue generated by the Mission Bay Parks in its approval of an equitable distribution of CFD No. 5 funding. OCII may not approve or direct the use of any non CFD No. 5 funding within Mission Bay. Budgets must have sufficient detail including staffing, contracts, utilities, material, supplies and equipment. If, notwithstanding their good faith efforts, RPD and the Port cannot agree upon an allocation of the CFD No. 5 funds in any given year, RPD and Port will split the annual CFD No. 5 funds based on the following formula and submit the resulting annual budget to OCII for approval: (1) the total acreage maintained by each respective department for the applicable year, and (2) the average of the previous two (2) fiscal years' budget per acre funding, excluding any one-time costs. Any park maintained for less than a full fiscal year will be accounted for on a prorated basis.

(h) Billing Procedures. RPD and the Port will submit invoices to OCII on a quarterly basis within ninety days after the end of each quarter, not to exceed the amount in the annual CFD budget. The invoices will include an actual to budget accounting of expenses, describe the services provided, and include sufficient information to determine the methodology used to determine the costs. OCII staff will review and approve these invoices for payment. Reimbursement will occur no later than forty-five days after a completed reimbursement request is submitted by RPD or the Port.

(i) Reserved.

(j) Median Strip and Traffic Circle in P10 and P11/11A. P10, P11 and P11A are not being accepted by RPD, and will remain public rights of way under the jurisdiction of PW.

To the extent RPD receives CFD funds for these parcels, RPD shall either use these funds to maintain the parcels on behalf of PW; or shall provide the funds to PW to have PW maintain such parcels in accordance with the Redevelopment Plans and related plan documents until they expire, CFD Requirements, and PW standards for other areas of the City, subject to available funding. Alternatively, at RPD's written request OCII may provide the CFD funds to PW directly, for these purposes. The RPD General Manager shall ensure that PW agrees in writing to abide by the terms of this MOU, as a condition of PW receiving CFD funds under this subsection (j). Alternatively, at RPD's written request OCII may provide the CFD funds to PW directly, for these purposes. The RPD General Manager shall ensure that PW agrees in writing to abide by the terms of this MOU, as a condition of PW receiving CFD funds under this subsection (j).

6. CONTROLLER CERTIFICATION OF FUNDS

Nothing in this Agreement requires a City department or OCII to incur costs or expend funds that are not included in its annual budget, as approved by the City's Board of Supervisors and Mayor or, in the case of OCII, the annual CFD No. 5 budget approved by the Successor Agency Commission. This Agreement is subject to the budgetary and fiscal provisions of City's Charter. Notwithstanding anything to the contrary contained in this Agreement, there will be no obligation for the payment or expenditure of money by City unless the Controller first certifies, under Section 3.105 of City's Charter, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure.

7. SIGNAGE

The Port and RPD will create and implement a signage plan, so that the Mission Bay Parks all share consistent regulation signs and establish policies regarding signs that are permitted and prohibited, and that are consistent with Mission Bay North and South Signage Plans until expiration of the Redevelopment Plans. The signage plan will be subject to the approval of the Port Executive Director and the RPD General Manager and OCII so long as the Redevelopment Plans are in effect. The City's PW and San Francisco Municipal Transportation Agency will control signage in and for the streets and public rights of way.

8. PERMITTED USES; CONTRACTING

(a) Permitted Uses. The Mission Bay Parks will be used for parks and open spaces, consistent with the public trust, and Redevelopment Plans and related plan documents, as further described in the Operations Plan (the "**Permitted Uses**"). The City departments will use best efforts to ensure that all of the Mission Bay Parks are used for the Permitted Uses at all times. Any change to the Permitted Uses must be approved by both the Port, RPD, and OCII.

(b) Entry. Each City department may enter the Mission Bay Parks at any reasonable time and, except in the event of an emergency, with reasonable advance notice to the managing department, for inspection, inventory or maintenance and repairs, and when otherwise reasonably necessary for the protection of its interests. Such entry will be conducted in a manner that reasonably limits any impact on the Permitted Uses.

(c) Merchandise, Sales and Concessions. Subject to any limitations or requirements set forth in the Operations Plan, the Parks Code and the Mission Bay Parks specific regulations, RPD and the Port may (1) sell branded and other program-related merchandise at the Mission Bay Parks to promote its own organization and fundraising for the Mission Bay Parks, (2) allow sales and concessions, and (3) host special events.

(d) Contracts. Each City department will be responsible for entering into contracts, leases and permits on the portion of the Mission Bay Parks that it maintains under this Agreement, in accordance with its standard contracting processes and applicable law.

9. RESTRICTIONS ON USE; COMPLIANCE WITH LAW

(a) Compliance with Agreements and Law. RPD and Port will not use or permit the Mission Bay Parks under each of their management to be used in a manner that violates this Agreement, the Redevelopment Plans and related plan documents, or applicable law, or that would materially interfere with the primary purposes of public access to the Mission Bay Parks. Each City department acting as a trustee of the public trust for the Mission Bay Parks will have the right to prohibit any use that is inconsistent with the public trust, as provided in Section 3(b) of this Agreement, or the requirements of any regulatory permit or approval.

(b) RPD Activities within Port Lands. In performing maintenance, repair or replacement activities on the RPD Managed Parks within Port Lands, RPD agrees not to make any material improvements or alterations without the prior written consent of Port (which consent shall not be unreasonably withheld) and will obtain any necessary Port regulatory permits; provided, however, that repairs or replacements with similar materials or improvements that do not change the functionality or dimensions of the improvements will not require Port consent.

(c) Prohibited Activities. Except as otherwise described in the Operations Plan, the Port and RPD will not, without the prior consent of OCII and the other City department: (i) allow overnight stays at the Mission Bay Parks; (ii) conduct or allow activities that would prevent or materially impede public access to the Mission Bay Parks; or (iii) allow any activity that requires an After Hours Permit from the San Francisco Police Department.

(d) Hazardous Materials; Indemnity. Each party will comply with, and will ensure that its contractors comply with, the requirements of that certain Risk Management Plan approved by the Regional Water Quality Control Board for the San Francisco Bay Region in May 1999, covering among other properties, the Mission Bay Parks (the “**RMP**”) as it relates to any of their activities which may disturb the soil or groundwater under the Mission Bay Parks. The Port and RPD will promptly notify the other and OCII if there is a release of any Hazardous Substance, as defined below, in or around the Mission Bay Parks. The Port and RPD will cooperate in any action against the party responsible for the release. The City shall Indemnify (as defined in Section 10) OCII and its Agents from any Claims (as defined in Section 10) resulting from any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Substance, into the environment (“**Release**”) or threatened Release of a Hazardous Substance to the extent that such Release or threatened Release is directly created or aggravated by the specific activities undertaken by the City pursuant to this Agreement or by any breach of or failure to duly perform or observe any term, covenant or agreement in this Agreement to be performed or

observed by the City; provided, however, that (without limiting City's obligations and liabilities under the Agency Ground Lease) the City shall have no liability, nor any obligation to Indemnify any person for any such Claim resulting from (x) the discovery or disclosure or any pre-existing condition, (y) the movement of soil or groundwater or other activity undertaken by City, which concerns Hazardous Substances existing prior to the termination of the Agency Ground Lease, or (z) the negligence or willful or other actionable misconduct of OCII or its agents, employees, officers, contractors, or invitees. "**Hazardous Substance**" shall have the meaning defined in the OPAs. OCII's obligation to indemnify City and its Agents as it relates to Hazardous Materials contained in the Agency Ground Lease shall survive the termination of the Agency Ground Lease for all Claims arising from or connected with circumstances, actions or omissions that occurred prior to the date of termination of the Agency Ground Lease.

10. INDEMNITIES

(a) City's Indemnity. City will indemnify, defend, and hold harmless from ("**Indemnify**"), and, if requested, shall defend OCII and its Agents from and against any and all claims, losses, damages, costs, and expenses, including reasonable attorneys' fees (collectively, "**Claims**"), incurred as a result of any of the following occurring from and after the Effective Date: (a) any injury to or death of any person including City employees, or damage to or destruction of any property occurring in, on or about Mission Bay Parks, or any part thereof, from any cause whatsoever, (b) City's use of the Mission Bay Parks that City manages pursuant to this Agreement, or (c) any acts or omissions of City or its Agents in, on, or about the Mission Bay Parks that City manages pursuant to this Agreement; provided, however, that this indemnity shall exclude claims, liability, damage or loss resulting from the negligence or willful misconduct of OCII or its Agents, except but only to the extent contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, City, its Agents or Invitees.

In addition to City's obligation to indemnify OCII, City specifically acknowledges and agrees that it has an immediate and independent obligation to defend OCII from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent. The City's obligation to defend shall arise at the time such claim is tendered to City by OCII and shall continue at all times thereafter. The foregoing indemnity obligation of the City shall include without limitation, indemnification from all loss and liability, including attorney's fees, court costs and all other litigation expenses. This indemnification by City shall begin from the first notice that any claim or demand is or may be made.

The term "**Agents**" when used with respect to either party includes the agents, employees, officers, and contractors of the party. In any action or proceeding brought against OCII or its Agents because of a Claim Indemnified by City under this Section, at its sole option, City may elect to defend the Claim by attorneys in City's Office of the City Attorney, by other attorneys selected by City, or both. City will have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided that OCII will have the right, but not the obligation, to participate in the defense of the Claim at its sole cost. City's obligations under this Section will survive the termination of this Agreement.

(b) OCII's Indemnity under Agency Ground Lease. OCII's obligation to Indemnify City and its Agents contained in the Agency Ground Lease shall survive the termination of the Agency Ground Lease for all Claims arising from or connected with circumstances, actions or omissions that occurred prior to the date of termination of the Agency Ground Lease and that are covered under the Agency Ground Lease.

(c) OCII Representations. OCII represents and warrants to City that (i) OCII has not heretofore assigned, sublet, conveyed or transferred, without City consent, all or any portion of its interest in the Agency Ground Lease or the Mission Bay Parks; (ii) no other person, firm or entity (other than City) has any right, title or interest in the Agency Ground Lease or the Mission Bay Parks; and (iii) OCII has no knowledge of any existing or threatened Claim arising from or in any manner connected with the Agency Ground Lease or the Mission Bay Parks by any other party.

(d) City Department Responsibility. In the event of a Claim that City Indemnifies OCII for pursuant to Section 10(a), the Port and RPD will cooperate in defending such action. If the Claim is caused by the negligence of a particular City department, then that City department will be responsible for any City liability. If the injury is not caused by the negligence of a City department, then the City department with management responsibilities for the Mission Bay Park where the Claim arose will have responsibility for any resulting City liability.

11. DISPUTE RESOLUTION

If a dispute between or among OCII, RPD, and the Port arises under this Agreement, the contact person for affected agency shall in good faith meet with the others to resolve the dispute. If the contact persons are not able to resolve the dispute, resolution of the matter will be referred to the head of each affected agency. If the agency heads are unable to resolve the dispute, the matter will be referred to the Mayor's Office for resolution by the Mayor or his or her designee.

12. NOTICE

Any notice given under this Agreement shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier return receipt requested, with postage prepaid, at the following addresses, or at such other addresses as the agencies listed below may designate by notice as their new address:

<u>Address for Port:</u>	Deputy Director, Real Estate and Development Port of San Francisco Pier One San Francisco, CA 94111
--------------------------	--

Telephone No:	(415) 274-0400
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<u>Address for RPD:</u>	Chief Financial Officer San Francisco Recreation
-------------------------	---

and Park Department
McLaren Lodge
San Francisco, CA 94117

Telephone No: (415) 831-2700

Address for OCII: Executive Director
1 South Van Ness, 5th Floor
San Francisco, CA 94103

Telephone No: (415) 749-2400

Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first-class or certified mail, one day after the date it is mailed, if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by email or telephone to the address or numbers set forth above or such other address or number as may be provided from time to time; however, no party may give official or binding notice by email, telephone or facsimile.

13. MINERAL RESERVATION

The State of California, pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying the Mission Bay Parks within Port Lands.

14. ENTIRE AGREEMENT

This Agreement (including attached exhibits) contains the entire understanding between the parties with respect to the subject matter hereof.

15. EXCLUSIVE BENEFIT OF PARTIES

The provisions of this Agreement are for the exclusive benefit of the City departments and OCII, and not for the benefit of, nor give rise to any claim or cause of action by, any other person. This Agreement shall not be deemed to have conferred any rights upon any person except the signatories to this Agreement.

16. APPROVALS

All approvals under this Agreement and any agreements contemplated hereby may be given by the OCII Executive Director, RPD General Manager, the Port Executive Director, and the PW Director, or their respective designees, except as otherwise specified herein or in the City Charter or the City's Municipal Code.

17. AMENDMENTS

This Agreement may be amended only by a signed writing of OCII, RPD, and the Port. Any amendment of this Agreement between OCII and the City must be approved by City's Board of Supervisors, OCII's commission, and any City department's commission, as applicable.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date written below.

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation
operating by and through the SAN
FRANCISCO PORT COMMISSION

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation
operating by and through the SAN
FRANCISCO RECREATION AND
PARK DEPARTMENT

By: _____
ELAINE FORBES
Executive Director
Port of San Francisco

By: _____
PHIL GINSBURG
General Manager
San Francisco Recreation and
Park Department

Date Signed: _____
San Francisco Port Commission
Resolution No. _____

Date Signed: _____
San Francisco Recreation and Park Department
Resolution No. _____

Approved by San Francisco Board of Supervisors
Resolution No. _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN
FRANCISCO, commonly known as
the OFFICE OF COMMUNITY
INVESTMENT AND
INFRASTRUCTURE, a public body
organized and existing under the laws
of the State of California and acting
under its authority as Community
Facilities District No. 5

By: _____
Thor Kaslofsky
Executive Director
San Francisco Office of
Community Investment and
Infrastructure

Date Signed: _____
[Commission on Community Infrastructure and
Investment Resolution No. _____]

REVIEWED:
DAVID CHIU, City Attorney

By: _____
Elizabeth A. Dietrich
Deputy City Attorney

Approved as to form for the Office of Community Investment and Infrastructure:

By: _____
James B. Morales
OCII General Counsel

EXHIBIT A
MAP OF MISSION BAY PARKS

EXHIBIT B

MAP OF FUTURE MISSION BAY PARKS

Mission Bay Parks P2, P7, P8, P9, P12, P13, P15, P19, P22 and P27

EXHIBIT C

Map of Mission Bay Parks Subject to the Burton Act and Common Law Public Trust

EXHIBIT D

Jurisdiction of Mission Bay Parks following the Transfer Ordinance

EXHIBIT A



Open Space

MISSION BAY OPEN SPACE

OCTOBER 2023



EXHIBIT B



Undeveloped Parks



MISSION BAY
UNDEVELOPED PARKS

OCTOBER 2023



EXHIBIT C



-  Common Law Trust
-  Burton Act and Common Law Trust

MISSION BAY PARKS

OCTOBER 2023



EXHIBIT D



- RPD Jurisdiction
- PW Jurisdiction
- Port Jurisdiction

MISSION BAY PARKS JURISDICTION

GROUND LEASE

BY AND BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO

AND

REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

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AGENCY GROUND LEASE

THIS AGENCY GROUND LEASE ("Lease"), dated for reference purposes only as of November 16, 2001 by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

B. The Redevelopment Plans for Mission Bay North and Mission Bay South provide for the redevelopment, rehabilitation and revitalization of the North Plan Area and the South Plan Area, respectively, as those terms are defined in the Mission Bay North Redevelopment Plan and the Mission Bay South Redevelopment Plan. The South Plan Area also includes an approximately forty-three (43) acre campus site (the "Campus Site") for the University of California, San Francisco.

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus Development Corporation's and its permitted Transferee's under the North OPA and the South OPA (collectively "Owner") obligations to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and

Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement ("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." Most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) are currently owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Catellus Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. Under the North OPA and the South OPA, the Owner's construction of the Infrastructure (as defined below) described in the Infrastructure Plan (attached to the North OPA and the South OPA, respectively) for the North Plan Area and the South Plan Area (including the public open space, parks, and plazas to be constructed as part of the Improvements) will be in Major Phases, the development of which Major Phases shall be in such order as the Owner deems appropriate.

G. In accordance with the applicable Financing Plan, the Agency will be establishing community facilities districts (collectively, "CFDs", and individually, a "CFD") for the North Plan Area and the South Plan Area, respectively, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. The CFDs for the North Plan Area and the South Plan Area will each issue bonds to permit the financing of Infrastructure (including the public open space, parks and plazas) under the applicable Infrastructure Plan before development in the North Plan Area or the South Plan Area (as the case may be) generates tax increment which may be applied for such purpose. Each of the Financing Plans also provides for the Agency to form CFDs for the purpose of collecting monies to pay for ongoing costs of operation, maintenance, and repair of Open Space Parcels in the North Plan Area and the South Plan Area. Tax increment from the applicable North Plan Area or the South Plan Area and/or the issuance of bonds secured by a pledge of such increment will then be used to make payments on indebtedness of each of the CFDs, refund or defease each of the CFDs' indebtedness, or pay or otherwise reimburse directly the costs of Infrastructure (including the public open space, parks and plazas), or a combination of the foregoing, all as further provided in the applicable Financing Plan for the North Plan Area or the South Plan Area.

H. The Catellus Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Catellus Lease in accordance with the terms thereof in order to convert the

use of the applicable portions of the premises under the Catellus Lease to a permitted use under the Public Trust. This Lease shall become effective over the portion of the Premises which is intended for uses as public open space, parks or plaza for which the Catellus Lease has been terminated, upon such termination of the Catellus Lease.

I. Pursuant to the Catellus Lease, the CLTA and the PLTA, the City and the Agency are entering into this Lease to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to the following:

1. Definitions For purposes of this Lease, capitalized terms used herein shall have the meanings set forth in the North OPA and the South OPA unless otherwise defined hereinbelow:

1.1 "ACPT" shall have the meaning set forth in Recital D of this Lease.

1.2 "Agency Leasehold Parcels" has the meaning set forth in the PLTA and is depicted on Exhibit A, attached hereto and made a part hereof.

1.3 "Agency Lease Notice" means the Agency Lease Notice as specified in Section 2.1 hereof.

1.4 "Agents" means, when used with reference to either party hereto, the officers, directors, employees, agents and contractors of such party, and their respective heirs, legal representatives, successors and assigns.

1.5 "Alterations" means any alterations, installations or additions to any Improvements or to the Premises, exclusive of activities related to the customary maintenance, repair and replacement of Improvements or the Premises consistent with the applicable Infrastructure Plan and other related Plan Documents.

1.6 "Arts Commission" shall have the meaning set forth in Section 9(b) of this Lease.

1.7 "Artwork" means works of art, including sculpture, bas-relief, murals, mosaics, decorative water features, tapestries or other art works placed upon the Premises.

1.8 "Base Rent" means the Base Rent specified in Section 3.1 hereof.

1.9 "Board" means the Board of Supervisors of the City and County of San Francisco.

- 1.10 **"Campus Site"** means the Campus Site as specified in Recital B hereof.
- 1.11 **"Catellus Lease"** shall have the meaning set forth in Recital E of this Lease.
- 1.12 **"CLTA"** shall have the meaning set forth in Recital D of this Lease.
- 1.13 **"CFD"** shall have the meaning set forth in Recital G of this Lease.
- 1.14 **"Commencement Date"** means the date on which the Term of this Lease commences as specified in Section 4 hereof.
- 1.15 **"Effective Date"** means the Effective Date as specified in Section 2 hereof.
- 1.16 **"Environmental Laws"** means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts ordinances, rules, codes, orders, decrees, directives, guidelines, plans, risk management plans, recorded property covenants and/or restrictions, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future relating to the environment or to any Hazardous Substances (including, without limitation, the Risk Management Plan for the Mission Bay Area as approved by the Regional Water Quality Control Board, all Environmental Covenants and Restrictions on Property, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.) ("CERCLA")), which are or become applicable to Agency or the Premises and/or the North Plan Area and South Plan Area.
- 1.17 **"Expiration Date"** means the Expiration Date specified in Section 4 hereof.
- 1.18 **"Financing Plan"** shall have the meaning set forth in Recital G of this Lease.
- 1.19 **"Handle"** or **"Handling"** means to use, generate, process, produce, package, treat, store, emit, discharge, transport or dispose.
- 1.20 **"Hazardous Substance"** shall mean Hazardous Substance as defined in the North OPA or the South OPA, as applicable.
- 1.21 **"Improvements"** means Improvements as defined in the North OPA or the South OPA, as applicable.
- 1.22 **"Infrastructure"** shall have the meaning defined in the North OPA or South OPA, as applicable.
- 1.23 **"Infrastructure Plan"** shall have the meaning set forth in Recital F of this Lease.
- 1.24 **"Invitees"** when used with respect to either party means the clients, customers, invitees, guests, members, licensees, assignees and subtenants of either party, including members of the general public using the Premises.

1.25 "Laws" means all laws, statutes, ordinances, resolutions, regulations, policies, judicial decisions, proclamations, orders or decrees of any municipal, county, state or federal government or the departments, courts, commissions, boards and officers thereof, or other governmental or regulatory authority with jurisdiction over the Premises or any portion thereof, including, without limitation, all Environmental Laws, and the Port and City Park Codes or any portion thereof, if applicable.

1.26 "Litigation Force Majeure" means any action or proceeding before any court, tribunal, arbitration panel, or other judicial, adjudicative or legislative decision-making body, including any administrative appeal, brought by a third party, (a) which seeks to challenge the validity of any action taken by City or Agency in connection with this Lease, including City or Agency's approval, execution, and delivery of this Lease and its performance hereunder, or of any resolution of, or other action by, the Redevelopment Agency Commission or City's Board of Supervisors, approving Agency's or City's or Port Commissions' execution and delivery of this Lease, the performance of any action required or permitted to be performed by Agency or City hereunder, or any findings upon which any of the foregoing are predicated, or (b) which asserts a claim to any ownership or possessory interest in the Premises adverse to that of City or Agency, or (c) which seeks to restrain, enjoin, condition, prohibit, delay, halt, hinder or prevent construction of the Improvements. Performance by a party hereunder shall be deemed delayed or made impossible by virtue of Litigation Force Majeure during the pendency thereof, and until a judgment, order, or other decision resolving such matter in favor of the party whose performance is delayed has become final and unappealable, provided that (x) the party proceeds with due diligence to defend such action or proceeding or take other appropriate measures to resolve any dispute that is the subject of such action or proceeding, and (y) the Litigation Force Majeure affects the Premises or portion thereof on which the obligation to perform is based. Under no circumstances shall the delay attributable to an event of Litigation Force Majeure extend beyond one (1) year, unless such event of Litigation Force Majeure arises primarily from (i) a procedural defect in Agency or City proceedings, (ii) Agency or City taking any action beyond its powers, (iii) Agency or City taking any action constituting an abuse of discretion, or (iv) after commencement of construction of the Improvements on the Premises.

1.27 "Maintenance CFD" shall have the meaning set forth in Section 10.1 of this Lease.

1.28 "Mission Bay North" shall have the meaning set forth in Recital A of this Lease.

1.29 "Mission Bay North Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.30 "Mission Bay South" shall have the meaning set forth in Recital A of this Lease.

1.31 "Mission Bay South Redevelopment Plan" shall have the meaning set forth in Recital A of this Lease.

1.32 "North Arts MOU" shall have the meaning set forth in Section 9(b) of this Lease.

1.33 **"North ICA"** shall have the meaning set forth in Section 8 of this Lease.

1.34 **"North OPA"** means the North OPA as specified in Recital C hereof.

1.35 **"North Plan Area"** means the North Plan Area as specified in Recital B.

1.36 **"Official Records"** means the official records of the City.

1.37 **"Open Space Development Parcels"** means the Open Space Parcels within the North Plan Area, the South Plan Area, and the Bayfront Park, which are to be developed as open space, parks or plazas pursuant to the North OPA and the South OPA, including without limitation the Port Open Space Parcels (as defined in the PLTA) all of which are shown in Exhibit A, and which from time to time are made subject to this Lease in accordance with Section 2.1, all as shown on Exhibit B attached hereto and made a part hereof.

1.38 **"Owner"** means the Owner as specified in Recital C hereof and its successors and assigns pursuant to the North OPA or the South OPA, as applicable.

1.39 **"Plan Documents"** shall have the meaning given to it in Attachment 5 to the Redevelopment Plan for the North Plan Area and the South Plan Area, respectively.

1.40 **"PLTA"** shall have the meaning set forth in Recital D of this Lease.

1.41 **"Permitted Use"** means the Permitted Uses set forth in Section 7.1.

1.42 **"Premises"** means the Open Space Development Parcels set forth in Section 1.37 that have been made subject to this Lease in accordance with Section 2.1, as shown on or to be shown on Exhibit B.

1.43 **"Public Trust"** means either (i) the public trust for commerce, navigation and fisheries or (ii) the statutory trust imposed by the provisions of the California Statutes of 1968, Chapter 1333, as amended, whichever is applicable.

1.44 **"Redevelopment Plans"** shall have the meaning set forth in Recital A of this Lease

1.45 **"Regulatory Approval"** means any authorization, approval or a permit required by any governmental agency having jurisdiction over the Premises, including but not limited to the State Lands Commission and the San Francisco Bay Conservation and Development Commission ("BCDC").

1.46 **"Release"** when used with respect to a Hazardous Substance means any spilling, leaking, pumping, pouring emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of the Hazardous Substance into the environment.

1.47 "Rent" means the Base Rent and any other monetary sum due hereunder.

1.48 "RMP" means the "Risk Management Plan" or "RMP" approved by the Regional Water Quality Control Board for the San Francisco Bay Region in May, 1999, covering among other properties, the Premises.

1.49 "South Arts MOU" shall have the meaning set forth in Section 9(b) of this Lease.

1.50 "South ICA" shall have the meaning set forth in Section 8 of this Lease.

1.51 "South OPA" means the South OPA as specified in Recital C hereof.

1.52 "South Plan Area" means the South Plan Area as specified in Recital B hereof.

1.53 "Term" has the meaning set forth in Section 4 hereof.

2. Premises. For the Term and subject to the terms and conditions set forth herein, City hereby agrees to lease to Agency, and Agency hereby agrees to lease from City, the Premises. The City will deliver possession of the Premises in phases as set forth below. The initial phase of the Premises which is subject to this Lease is described in Exhibit B attached hereto. This Lease shall become effective as to each subsequent portion of the Premises described in each such phase on the date (the "Effective Date") that the City and the Agency initial and date a written legal description of the affected portion of the Premises and attach such description to this Lease as part of Exhibit B.

2.1 Provided that Owner has met the conditions of Owner in the North OPA or the South OPA, as applicable, to the Agency obligation to enter into this Lease, City and Agency shall initial and date a written legal description of each subsequent portion of the Premises and attach such description to this Lease as part of Exhibit B within the following time periods after City and Agency have each received a written notice from Owner (an "Agency Lease Notice") specifying the portions of the Open Space Development Parcels that Owner intends to develop as public open space, parks, or plazas in accordance with the Plan Documents:

a. With respect to any Agency Leasehold Parcels (as defined in the PLTA), within sixty (60) days following the receipt of an Agency Lease Notice for such Agency Leasehold Parcel, subject to Litigation Force Majeure;

b. With respect to any other portion of the Premises, within thirty (30) days following the receipt by City and Agency of an Agency Lease Notice for such portion of the Premises, subject to Litigation Force Majeure.

2.2 As to any Trust Land Termination Parcel (as defined in Section 3.3 of the Catellus Lease) terminated by City, acting as the trust administrator of the Public Trust, in order to convert the interim uses thereon to open space uses (all in accordance with the provisions for such termination by City under the Catellus Lease), City and Agency shall initial and date a

written legal description of the affected portion of such Trust Land Termination Parcel and attach such description to this Lease as part of Exhibit B concurrently with the effective date of any such termination. Any portion of the Premises added to this Lease pursuant to this Section 2.2 shall be developed in a manner consistent with the North OPA or the South OPA, as applicable.

2.3 The land described herein as the Premises may contain hazardous materials in soils and in the ground water under the property, and is subject to all of the terms, covenants and conditions described in and imposed by virtue of that certain Covenant and Environmental Restriction on Property ("Covenant and Restriction") made by (or to be made by) City for the benefit of (and in the form previously approved by) the California Regional Water Quality Control Board for the San Francisco Bay Region (the "RWQCB") in order to satisfy one or more conditions imposed by resolution of the RWQCB dated May 20, 1998, to the issuance of a Certificate of Completion under Section 25264 of the California Health and Safety Code. The Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the Premises described herein. This statement is not a declaration that a hazard exists.

3. Rent. Agency shall pay to City, in the manner herein described, the following Rent:

3.1 Base Rent. Base Rent shall be the sum of One Dollar (\$1.00) per year for the entire Premises without regard for the Effective Date as to any portions of the Premises for the Term hereof ("Base Rent"). Agency shall pay Base Rent in advance for the entire Term, in the amount of Forty-Five Dollars (\$45.00), on or before the Commencement Date.

3.2 Additional Charges. In addition to Base Rent, Agency shall pay or cause to be paid any and all real property taxes, possessory interest taxes and other costs, impositions and expenses related to the Premises as provided in Section 6 hereof, plus all other charges related to the Premises otherwise payable by Agency to City hereunder, including, without limitation, all charges for the repair or maintenance of utilities located within the Premises pursuant to Section 11.1 hereof (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".

3.3 Manner of Payment. All payments due from Agency to City under this Lease shall be made to City without any abatement, deduction, set-off, prior notice or demand, except as otherwise expressly provided in this Lease, in lawful money of the United States of America at City's address set forth in Section 28 or to such other person or at such other place as City may from time to time designate by written notice to Agency.

4. Term. Irrespective of the Effective Date for any particular portion of the Premises, the term of this Lease ("Term") shall commence on November 16, 2001 ("Commencement Date"), and shall terminate on the date ("Expiration Date") which is the ^{earlier} ~~later~~ to occur of (i) the date that is forty five (45) years after the Commencement Date or (ii) as to those portions of the Premises within the North Plan Area, the expiration of the Redevelopment Plan for the North Plan Area, and as to those portions of the Premises within the South Plan Area, the expiration of the Redevelopment Plan for the South Plan Area, unless sooner terminated in accordance with the terms hereof.

5. Permit to Enter.

Concurrently with the Effective Date of this Lease for each portion of the Premises, Agency shall grant to Owner permits to enter such portions of the Premises, including the Bayfront Park, substantially in the form attached to the North OPA and/or the South OPA, as applicable, for the purposes of constructing the Improvements for the Open Space Parcels and related Infrastructure, as well as environmental testing and remediation.

6. Taxes and Assessments.

6.1 Payment of Taxes. During the Term of this Lease, Agency agrees to pay or cause to be paid, when due, to the proper authority any and all real property and personal taxes, general and special assessments, license fees, permit fees and all other governmental charges of any kind or nature whatsoever, including without limitation all penalties and interest thereon, levied or assessed on the Premises, on any personal property on the Premises, the leasehold or subleasehold estate or Agency's use of the Premises, whether in effect at the time this Lease is entered into or which become effective thereafter, and all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Premises. Agency shall not permit any such taxes, assessments or other charges to become a defaulted lien on the Premises or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Agency may make, or cause to be made, payment in installments; and provided, further, that Agency may, through such proceeding as Agency considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge so long as such assessment or charge does not become a defaulted lien. In the event of any such contest, Agency shall indemnify and hold City, and its Agents harmless from and against all losses, damages, costs, or expenses, including attorneys' fees, resulting therefrom.

6.2 Possessory Interest Tax. Agency acknowledges and understands that a possessory interest subject to property taxation may be created by this Lease or any sublease or other agreement the Agency may enter into conferring a right to enter, occupy, and/or possess any portion of the Premises. The Agency further acknowledges that property taxes may be levied on such possessory interest and that any party who uses, occupies, or possesses any portion of the Premises may be subjected to the payment of such property taxes. Agency further acknowledges that Agency is familiar with San Francisco Administrative Code Sections 23.38 and 23.39, which require that City submit a report, which includes specified information relating to the creation, renewal, sublease, or assignment of any such possessory interest, to the County Assessor within 60 days after any such transaction. Agency agrees to provide to City the information required by Section 23.39 within thirty (30) days of a request in writing by City to do so. Agency shall cause the provisions of this Section 6.2 to be incorporated into all subleases, permits to enter, and other agreements concerning the use, occupancy, or possession of the Premises that Agency grants to Owner pursuant to Section 5 above.

7. Use of the Premises.

7.1 Permitted Use. The Premises shall be used and occupied only for public open space, public park and public plaza uses (and the construction thereof including, without limitation, the installation of public works of art)(collectively referred to as "Permitted Use"), which open space, parks and plazas shall be improved, maintained and operated consistent with the permissible uses and requirements of the North OPA, South OPA and the applicable Redevelopment Plan and Plan Documents, and the Public Trust use restrictions imposed by the Act (as defined in the PLTA). The Premises may not be used for any other purpose.

7.2 Prohibited Activities. Agency agrees that the following activities, by way of example only and without limitation, are inconsistent with this Lease and are strictly prohibited without the prior written consent of City: (a) any activity, or the maintaining of any object, which is not within the Permitted Use; (b) any activity, or the maintaining of any object, which will in any way increase the existing rate of, or affect or cause a cancellation of, any fire or other insurance policy covering the Premises, any part thereof or any of its contents; (c) any activity or object which will cause damage to the Premises (ordinary wear and tear and typical uses associated with the Permitted Use excepted); (d) any activity which constitutes waste or nuisance to owners or occupants of adjacent properties; (e) any activity which will in any way injure, obstruct or interfere with the rights of owners or occupants of adjacent properties, including rights of ingress and egress; or (f) use of the Premises for sleeping or personal living quarters or overnight camping.

7.3 Premises Must Be Used. Agency shall use the Premises continuously during the Term for the Permitted Use specified in Section 7.1.

7.4 Park Code. Agency may, at its election, pursue all regulatory approvals necessary to extend the provisions of the Park Code of the City and County of San Francisco to the Premises, or portions thereof, provided however, that in no event shall such action (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (1) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. City shall cooperate in such action, as long as such cooperation does not result in substantial expense to City that is not otherwise reimbursed by Agency. Notwithstanding the foregoing, if the Port Commission has adopted a Port Park Code extending to portions of the Premises within the Port's jurisdiction (including, without limitation, Bayfront Park), then such portions of the Premises shall be subject to the Port's Park Code and not the City's Park Code..

7.5 (a) In the use and enjoyment of the Premises, Agency shall (i) comply with the RMP for the Premises and other property to the extent applicable to the Premises; (ii) obligate other entities with which it contracts for construction, property maintenance, or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) not interfere with (and ensure that entities with which it contracts do not interfere with)

City's or its successors' or assigns' compliance with the RMP.

(b) In all agreements between the Agency and another entity providing for access to the Premises for the purpose of environmental mitigation, monitoring or remediation ("Environmental Response") by such entity, the Agency will provide the entity with a copy of the RMP prior to execution of such agreement and ensure that such agreements contain covenants by the entity that the entity will (i) comply with the RMP (to the extent the RMP applies to the entity's activities); and (ii) obligate any person or company with which that entity contracts for Environmental Response that may disturb soil or groundwater to comply with the applicable provisions of the RMP.

8. Compliance with Laws and Regulations. Agency, at no cost or expense to City, promptly shall comply with all Laws relating to or affecting the condition, use or occupancy of the Premises in effect either at the time of execution of this Lease or which may hereafter be in effect at any time during the Term, whether or not the same are now contemplated by the parties. Agency further understands and agrees that it is Agency's obligation, at no cost or expense to City, to cause the Premises and Agency's activities and operations conducted thereon, to be in compliance with the Americans with Disabilities Act, 42 USCS sections 12101, et seq.

Agency understands and agrees that City is entering into this Lease in its capacity as a landowner with a proprietary interest in the Premises and not as a regulatory agency of the City with certain police powers. City's legal status as a city shall in no way limit the obligation of Agency (or Owner) to obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Premises, except as otherwise provided in the Mission Bay North Interagency Cooperation Agreement ("North ICA") and the Mission Bay South Interagency Cooperation Agreement ("South ICA") each between the City and Agency and dated November 16, 1998. By entering into this Lease, City is in no way modifying or limiting the obligation of Owner to improve the Premises or Agency to cause the Premises to be used and occupied in accordance with all Laws.

9. Regulatory Approvals. (a) Agency understands that Agency's operations on the Premises, changes in use, or Improvements or Alterations to the Premises may require a Regulatory Approval. Agency or Owner shall be solely responsible for obtaining any such Regulatory Approvals and complying with any conditions attached thereto, except as otherwise provided in the North ICA or South ICA, as applicable. Owner or Agency shall be solely responsible for complying with any and all conditions imposed by regulatory agencies as part of a Regulatory Approval, except as otherwise provided in the North ICA or South ICA, as applicable. Any fines or penalties imposed as a result of the failure of Owner or Agency to comply with the terms and conditions of any Regulatory Approval shall be paid and discharged by Agency, and City shall have no liability, monetary or otherwise, for said fines and penalties, except as otherwise provided in the North ICA or South ICA, as applicable.

Without limiting any other indemnification provisions of this Lease, Agency shall indemnify the City, including the Port, from and against any and all claims, demands, losses, liabilities, damages (including consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses,

(including, without limitation, reasonable attorneys' fees and costs and consultants' fees and costs and court costs) of whatever kind or nature, known or unknown, contingent or otherwise (collectively, "Losses") which may arise in connection with the Agency's failure to obtain or comply with the terms and conditions of any Regulatory Approval or with the appeal or contest of any conditions of any Regulatory Approval; provided, however, such indemnity shall exclude any Losses to the extent they arise out of (i) any failure of any conditions that either (A) are designated as the responsibility of the City under the Plan Documents or the Land Transfer Agreements or under the City approvals granted in connection with a Major Phase or Project or (B) the City has otherwise, in its sole discretion, agreed to accept the responsibility for such terms or conditions as provided in the North ICA or the South ICA, as applicable; or (ii) the negligence or willful misconduct of the City.

Agency expressly acknowledges that any soil testing, excavation or boring shall comply with the RMP. City shall cooperate with Agency or Owner in filing for, processing and obtaining all Regulatory Approvals (other than City approvals), and to the extent required by any regulatory agency issuing a Regulatory Approval (other than City), it will join with Agency or Owner as co-applicant in filing, processing and obtaining all Regulatory Approvals required for the construction and operation of the Park, provided, however, that (i) any reasonable costs incurred by City thereby shall be reimbursed by Agency or Owner to City upon demand, and (ii) any conditions or restrictions of such Regulatory Approval shall be in form and substance acceptable to City in its reasonable discretion, unless the condition or restrictions are specifically contemplated as the responsibility of the City under the North ICA, South ICA, the Plan Documents or the City approvals of the entitlements for the North Plan Area or the South Plan Area. Nothing contained herein shall be deemed to limit or otherwise constrain City's discretion, powers and duties as a regulatory agency of the City with certain police powers except as may be limited by the North ICA, the South ICA, and the Redevelopment Plans.

(b) The Parties hereby acknowledge that pursuant to Section 5.103 of the City's Charter as well as that certain Mission Bay South Memorandum of Understanding (the "South Arts MOU") dated January 4, 1999 and that certain Mission Bay North Memorandum of Understanding (the "North Arts MOU") dated January 4, 1999 by and between the Arts Commission of the City and County of San Francisco (the "Arts Commission") and the Agency, the Arts Commission has design review authority over (i) certain structures (as defined in the North Arts MOU and the South Arts MOU) on land owned (or to be owned) by the City, which will be developed as public streets, public open spaces and community facilities and (ii) works of art to be placed on public open space and other City property. The Parties agree that in complying with all Laws pursuant to Section 8 above and in obtaining any Regulatory Approvals as set forth in this Section 9, the Agency shall comply or require Owner to comply with the procedures and requirements set forth in the North Arts MOU or the South Arts MOU, as applicable.

(c) The Parties further acknowledge that the North OPA and the South OPA each contain an attachment entitled "Design Review and Document Approval Procedure". The Agency agrees that it will comply or cause Owner to comply with the procedures set forth in the Design Review and Document Approval Procedure for the design and construction of any Improvements on the Premises.

10. Security, Maintenance and Repairs.

10.1 Maintenance and Repair Obligations. Upon completion of construction of the Improvements on the applicable portions of the Premises and acceptance by City pursuant to the Plan Documents, Agency shall maintain, at no cost or expense to City, in good order, repair and condition, the applicable portions of the Premises and all improvements thereon, consistent with the requirements of the applicable Mission Bay North or South Financing Plans, except where Owner fails to pay the special taxes levied in the maintenance Community Facilities Districts (collectively, "Maintenance CFDs," and individually, a "Maintenance CFD") to be formed pursuant to the applicable Mission Bay North or South Financing Plans despite the Agency's diligent efforts to collect the same.

10.2 City's Right to Inspect and Repair. (a) In the event that damage or deterioration to the Premises or any portion thereof which is Agency's obligation to maintain results in the same not meeting the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then Agency shall have the independent responsibility for, and shall promptly undertake, maintenance or repair of the Premises and complete the same with due diligence to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder). City may make periodic inspections of the Premises and may advise Agency when maintenance or repair of the Premises is required, but such right of inspection shall not relieve Agency of its independent responsibility to maintain such Premises and Improvements in accordance with the applicable Mission Bay North or South Financing Plan to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

(b) If the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan, then City may deliver a written notice of default to the Agency regarding such default under this Lease. The notice of default shall state with reasonable specificity the nature of the alleged default, the provisions under which the default is claimed to arise, and the manner in which the failure of performance may be satisfactorily cured. Upon receipt of such notice of default, the Agency shall commence within a reasonable time not to exceed sixty (60) days to cure or remedy such default, and shall thereafter pursue such cure or remedy to completion.

i. Upon delivery of a notice of default, the City and the Agency, together with the Owner, shall promptly meet to discuss the default and the manner in which the Agency can cure or remedy the same so as to satisfy the City's concerns. The City, Agency and Owner shall continue meeting regularly, discussing, investigating and considering alternatives for a period of sixty (60) days from the delivery of the notice of default. If, at the end of the meet and confer period, the City no longer holds the view that the Agency is in default, the City shall issue a written acknowledgment of the Agency's cure or remedy of the matter which was the subject of the notice of default.

ii. If (A) action is not diligently taken or pursued, or the default shall not be cured or remedied within a reasonable time or (B) the Agency refuses to meet and discuss as described above, then in addition to any other remedy available to City, City may make such maintenance or repairs at Agency's expense and Agency shall immediately upon invoice reimburse City therefor to the extent funds are available for such maintenance or repair under the Maintenance CFD or as otherwise provided in the Mission Bay North or South Financing Plan (including, without limitation, the provisions of any covenants, conditions and restrictions required thereunder).

iii. The provisions of this Section 10.2(b) shall apply only in the event the Agency fails to maintain the Premises in accordance with the standard of maintenance set forth in the applicable Mission Bay North or South Financing Plan. Nothing in this Section 10.2(b) shall limit the rights or remedies of the City as set forth under this Lease.

10.3 Security. Agency will provide security for the Premises at such frequencies and to such standards, and consistent with funding available to it under the Maintenance CFD, as may be appropriate for the type of urban open space, plazas, and parks developed pursuant to the Plan Documents. Agency will use its best efforts to prevent loitering and unlawful activity in or on the Premises.

11. Utilities and Services.

11.1 Utilities. Agency shall make arrangements and shall pay all charges for all utilities to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, gas, electrical, water, sewer and telecommunications services. Agency shall pay all charges for said utilities. Agency shall coordinate with the City's Department of Telecommunications and Information Services ("DTIS") regarding any and all telecommunications services to the Premises.

11.2 Services. Agency shall make arrangements and shall pay all charges for all services to be furnished on, in or to the Premises or to be used by Agency, including, without limitation, garbage and trash collection, landscape maintenance service and cleaning service, consistent with the Financing Plans.

12. Improvements and Alterations.

12.1 Construction Requirements. All Improvements to the Premises made by or on behalf of Agency or Owner shall be performed in a manner consistent with the North OPA or South OPA, as applicable, the North ICA or South ICA as applicable, and the applicable Financing Plan. In addition, after completion of the initial construction of the Improvements, Agency shall notify City and Owner in writing of any material Alterations, including Artwork, no later than thirty (30) days prior to commencement of construction or placement in the Premises of such Alterations and shall obtain City and Owner's prior written consent to the change, to the extent contemplated under Section 12.3.

12.2 Improvements Part of Realty. All Alterations or Improvements to the Premises made by or on behalf of Agency shall be owned by City and shall, at the end of the Term hereof, remain on the Premises without compensation to Agency, unless City first waives its right to the Alterations or Improvements in writing. Notwithstanding the foregoing, Agency shall be entitled to remove all personal property that can be removed without substantial injury to the Premises and all Artwork from the Premises at the termination of the Term hereof. Agency shall repair, at its own expense, in good workerlike fashion any damage occasioned by the removal of any such Artwork or personal property.

12.3 Alterations to Improvements. Following construction of the initial Improvements on any portion of the Premises contemplated by the North OPA, South OPA and North or South Redevelopment Plans, as applicable, nonmaterial Alterations (other than ordinary repair and maintenance) shall be made to the applicable portions of the Premises without (i) the written consent of City and, (ii) if the improvements would be inconsistent with the Redevelopment Requirements, would increase costs under the Maintenance CFD or would reduce the availability of Net Available Increment for Infrastructure pursuant to the Financing Plan, the prior written consent of Owner. If Agency constructs any material Alterations to the Premises without City's or Owner's prior written consent to the extent required pursuant to the preceding sentence, then, in addition to any other remedy available to City, City may require Agency to remove, at Agency's expense, any or all such Alterations and to repair, at Agency's expense and in good workerlike fashion, any damage occasioned thereby. Agency shall pay to City all special inspection fees as set forth in the San Francisco Building Code for inspection of work performed without required permits, or any replacement code consistent with North ICA or South ICA adopted for City use.

13. Suitability; Acceptance. Agency acknowledges that neither City nor City's Agents made any representations or warranties concerning the Premises, including without limitation, the environmental, geotechnical or seismological condition thereof. By taking possession of the Premises, Agency shall be deemed to have inspected the Premises and accepted the Premises in an "As-Is" condition and as being suitable for the Permitted Uses as specified herein. The Agency further acknowledges that the rights of the Agency hereunder are subject to the construction and operation of railroad facilities if needed by the City for freight operations serving Piers 48 and 50 and for continued freight access to Pier 80, all as described in Section I.C.6 of the Mission Bay South Infrastructure Plan. Agency shall cooperate with City to allow for the construction and operation of such rail facilities if required under the Mission Bay Infrastructure Plan.

14. Liens. Agency shall keep the Premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Agency or its Agents. In the event that Agency shall not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record, City shall have, in addition to all other remedies provided by this Lease or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including without limitation, payment of the claim giving rise to such lien. All sums paid by City for such purpose and all reasonable expenses incurred by City in connection therewith shall be payable to City by Agency within thirty (30) days following written demand by City.

15. Hazardous Substances.

15.1 Requirements for Handling. During the construction of the initial Improvements, all Handling of Hazardous Substances shall be governed by all applicable Environmental Laws, the RMP and any applicable Permit to Enter. Following completion of the initial Improvements to the Premises, neither Agency, Owner nor their respective Agents or Invitees, shall Handle in, on or about the Premises any Hazardous Substance without the prior written consent of City, which consent shall not be unreasonably withheld so long as Agency demonstrates to City's reasonable satisfaction that such Hazardous Substance (i) is necessary to Agency's or Owner's improvement, operation or maintenance of the Premises or customarily used in connection with the Permitted Use, and (ii) will be Handled in a manner which strictly complies with all Environmental Laws, and (iii) will not materially increase the risk of fire or other casualty to the Premises. Notwithstanding the foregoing, without City's prior written consent, Agency and Owner may Handle on the Premises routine supplies and materials in such limited amounts as are customarily used for general park cleaning and maintenance purposes or any Hazardous Substances required to be used, in connection with the construction of the initial Improvements to the Premises consistent with the Plan Documents, so long as such Handling is (a) at all times in full compliance with all Environmental Laws and (b) pursuant to approvals obtained from all regulatory agencies having jurisdiction over such Handling of Hazardous Substances.

15.2 Agency Responsibility. Subject to the restrictions set forth in Section 15.1 hereof, Agency shall Handle all Hazardous Substances discovered on the Premises during the Term of this Lease or introduced on the Premises by Agency, its Agents or Invitees, in compliance with all Environmental Laws. Agency shall not be responsible for the safe Handling of Hazardous Substances introduced on the Premises during the Term of this Lease by City or its Agents. Agency shall protect its employees and the general public in accordance with all Environmental Laws. City may from time to time request, and Agency shall be obligated to provide, information reasonably adequate for City to determine that any and all Hazardous Substances are being Handled in a manner which complies with all Environmental Laws. City shall have the right to inspect the Premises for Hazardous Substances at reasonable times, pursuant to Section 23.1 hereof.

15.3 Requirement to Remove. Prior to termination of this Lease, Agency, at its sole cost and expense, shall remove any and all Hazardous Substances introduced in, on, under or about the Premises by Agency, its Agents or Invitees. Further, Agency, at its sole cost and expense, shall remove any Hazardous Substance discovered on the Premises during the Term of

this Lease which is required to be removed pursuant to the RMP or the applicable provisions of the EIRP, provided however, that Agency shall not be obligated to remove any Hazardous Substance introduced onto the Premises during the Term of this Lease by the City or its Agents. Prior to the termination of this Lease, City and Agency shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Substances existing on the Premises which Agency is required to remove.

16. Insurance

16.1 Required Insurance Coverage. Agency, at no cost to the City, shall maintain, or cause to be maintained, throughout the Term of this Lease, the following insurance:

(a) **General Liability Insurance.** Comprehensive or commercial general liability insurance, with limits not less than Five Million Dollars (\$5,000,000.00) each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, independent contractors, broadform property damage, personal injury, products and completed operations, and fire damage and legal liability with limits not less than Two Hundred Fifty Thousand Dollars (\$250,000.00). The Agency reserves the right to satisfy the requirements of this Section 16.1(a) through self-insurance to the extent that Agency elects to use Agency employed staff to maintain the Premises. However, Agency shall require as a condition to any contract with a third party to provide maintenance services to the premises that the contractor will provide the insurance required by this section 16.1(a).

(b) **Workers Compensation Insurance.** Workers Compensation Insurance with employer's liability limit not less than One Million Dollars (\$1,000,000.00) for each accident, on employees eligible for each. In the event Agency is self-insured for the insurance required pursuant to this Section 16.1(b), it shall furnish to City a current Certificate of Permission to Self-Insure signed by the Department of Industrial Relations, Administration of Self-Insurance, Sacramento, California.

(c) **Required by Law.** Such other insurance as required by Law.

16.2 Claims-Made Policies. If any of the insurance required in Section 16.1 is provided under a claims-made form of policy, Agency shall maintain such coverage continuously throughout the Term and without lapse for a period of three years beyond the termination of this Lease, to the effect that should occurrences during the Term give rise to claims made after termination of this Lease, such claims shall be covered by such claims-made policies.

16.3 Annual Aggregate Limits. If any of the insurance required in Section 16.1 is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

16.4 Payment of Premiums. Agency shall pay or cause to be paid at no cost to City the premiums for maintaining all required insurance.

16.5 Waiver of Subrogation Rights. The parties release each other, and their respective authorized representatives, from any claims for damage to the Premises or to the fixtures, personal property, Improvements or Alterations of either City or Agency in or on the Premises which are caused by or result from risks insured against under any property insurance policies carried by the parties and in force at the time of any such damage, to the extent such claims for damage are paid by such policies. Each party shall cause each property insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against the other party in connection with any damage covered by any policy.

16.6 General Insurance Matters.

(a) All liability insurance policies required to be maintained by Agency hereunder shall contain a cross-liability clause, shall name as additional insureds "the City and County of San Francisco and the San Francisco Port Commission and their officers, directors, employees and agents," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Lease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) All insurance policies required to be maintained by Agency hereunder shall be issued by an insurance company or companies reasonably acceptable to City. Agency's compliance with this Section shall in no way relieve or decrease Agency's liability under this Lease. It is understood that the Agency may comply with the provisions of this Section 15.6(b) through its membership in the Bay Cities Joint Powers Insurance Authority or other program of self-insurance or reinsurance reasonably acceptable to City.

(c) All insurance policies required to be maintained by Agency hereunder shall provide for thirty (30) days prior written notice of cancellation or intended non-renewal or reduction in coverage to Agency and City. Such notice shall be given in accordance with the notice provisions of Section 28 of this Lease.

(d) Agency shall deliver to City certificates of insurance in a form satisfactory to City evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Agency shall, upon City's request, promptly furnish City with a complete copy of any insurance policy required hereunder.

(e) Not more often than every year and upon not less than sixty (60) days prior written notice, City may require Agency to increase the insurance limits set forth in Section 16.1 above if, in the reasonable judgment of the City's Risk Manager, it is the

general commercial practice in San Francisco or in other cities or counties around the country to carry insurance for facilities similar to the Premises in amounts substantially greater than those amounts carried by Agency with respect to risks comparable to those associated with the use of the Premises.

(f) Throughout the Term, should Agency's use of the Premises change to the extent that different insurable risks are created, City reserves the right to adjust the insurance requirement hereunder in accordance with any such changes in use.

17. Damage and Destruction.

17.1 Damage and Destruction. If the Premises are damaged by fire or other casualty, then to the extent that insurance proceeds are available for such purpose, Agency shall diligently repair the same and restore the Premises to its condition immediately prior to such casualty, and this Lease shall remain in full force and effect. In the event Agency determines that insurance proceeds are inadequate or unavailable to so repair the Premises to a similar level adequate for use as a public park, plaza or open space Agency shall immediately notify City in writing thereof ("Repair Notice"). On or before the earlier of fifteen (15) days after the date of the Repair Notice or thirty (30) days after the event of casualty, Agency and City shall meet and confer to allocate the responsibility of repair. In the event the parties are unable to agree upon their respective repair obligations within thirty (30) days of the first of such meetings, then either party may elect to terminate this Lease as to the damaged portion of the Premises by written notice specifying the date of such termination. In the event this Lease is terminated by either party in accordance with this Section 17.1, then any unapplied insurance proceeds paid for repair of such casualty shall be payable to City. From and after such termination the City shall not allow the Premises to be utilized for any purpose inconsistent with the applicable Redevelopment Plan or Plan Documents.

17.2 Waiver. City and Agency intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, City and Agency each hereby waives the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California or under any similar Law now or hereafter in effect.

18. Eminent Domain.

18.1 General. If all or part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, this Lease shall terminate as to any portion of the Premises so taken or conveyed on the date when title or the right to possession vests in the condemnor ("Date of Taking").

18.2 Partial Takings. If (a) a part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain or conveyance in lieu thereof, and (b) Agency is reasonably able to continue the operation of the public parks, plazas and/or open space on the Premises or applicable portions thereof, then this Lease shall remain in effect as to said portion of the Premises remaining.

18.3 Temporary Takings. Notwithstanding anything to the contrary contained in this Section, if a taking occurs with respect to all or any part of the Premises for a limited period of time, this Lease shall remain unaffected thereby and Agency shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease to the extent reasonably possible in light of the portion of the Premise not so taken. Agency shall be entitled to receive that portion of any award representing compensation for the use or occupancy of the Premises during the Term up to the total Rent owing by Agency for the period of the taking, and City shall be entitled to receive the balance of any award.

18.4 Award; Waiver. City shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with any taking or conveyance hereunder, and Agency shall have no claim against City or otherwise for the value of any unexpired term of this Lease. Notwithstanding the foregoing, Agency shall have the right to make a claim, and to receive any award specifically made to Agency, including, without limitation, any award made to Agency for the unamortized value of any Alterations or Improvements, its moving expenses and for loss or damage to Agency's trade fixtures, equipment and movable furniture. City and Agency intend that the provisions of this Section govern fully in the event of condemnation and accordingly, City and Agency each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar law now or hereafter in effect. In the event of a partial taking, Agency shall restore the Premises to a unified whole; except that the cost of restoring the Premises to a unified whole shall be payable (1) first, from any Agency award for the value of Improvements and Alterations, and, in the event the cost of restoring the Premises to a unified whole should exceed such amount, then, (2) second from any award made to City. Any excess costs not covered by such awards shall be the sole responsibility of Agency.

19. Indemnity and Exculpation.

19.1 Indemnity. Agency shall indemnify and hold City, and its Agents harmless from, and, if requested, shall defend them against any and all Losses (as defined in Section 9 above) arising directly or indirectly out of: (a) any injury to or death of any person, including employees of Agency, or damage to or destruction of any property occurring in, on or about the Premises, or any part thereof, from any cause whatsoever, or (b) any default by Agency in the observance or performance of any of the terms, covenants or conditions of this Lease, or the use, occupancy or condition of the Premises or the activities therein by Agency, its Agents, or Invitees' activities therein. This indemnity shall be enforceable regardless of the negligence of City, and regardless of whether liability without fault is imposed or sought to be imposed on City. This indemnity shall be enforceable except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this Lease. This indemnity includes all such loss, damage, injury, liability or claims as described above, loss predicated in whole or in part, upon active or passive negligence of City or its Agents. This indemnity shall exclude claims, liability, damage or loss resulting from the gross negligence or willful misconduct of City or its Agents which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, Agency, its Agents or Invitees.

In addition to Agency's obligation to indemnify City, Agency specifically acknowledges

and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent. Agency's obligation to defend shall arise at the time such claim is tendered to Agency by City and shall continue at all times thereafter.

The foregoing indemnity obligation of Agency shall include without limitation, indemnification from all loss and liability, including attorney's fees, court costs and all other litigation expenses. This indemnification by Agency shall begin from the first notice that any claim or demand is or may be made. The provisions of this section shall survive the termination of this Lease with respect to any damage, destruction, injury or death occurring prior to such termination.

19.2 Exculpation. Agency, as a material part of the consideration to be rendered to City, hereby waives any and all claims against City and its Agents, and agrees to hold City and its Agents harmless from any claims for damages to goods, wares, merchandise, or equipment and by persons in, upon or about said Premises for any cause arising at any time, including without limitation all claims arising from the joint or concurrent negligence of City or its Agents, but excluding any grossly negligent or intentionally harmful acts committed solely by City or its Agents.

19.3 Hazardous Substances Indemnification. Agency shall indemnify, protect, defend and hold harmless, City, its employees, officers, agents, from any Claims resulting from any Release or threatened Release of a Hazardous Substance to the extent that such Release or threatened Release is directly created or aggravated by the specific activities undertaken by Agency pursuant to this Lease or by any breach of or failure to duly perform or observe any term, covenant or agreement in this Lease to be performed or observed by the Agency including the covenants of Sections 7.5(a) and (b) above; provided, however, that Agency shall have no liability, nor any obligation to defend, hold harmless or indemnify any person for any such Claim resulting from (x) the discovery or disclosure or any pre-existing condition, (y) the movement of soil or groundwater or other activity undertaken by Agency, which concerns Hazardous Substances existing prior to Agency's entry upon the Premises so long as such movement or activity is consistent with the RMP, or (z) the negligence or willful or other actionable misconduct of City or its agents or invitees.

20. Assignment and Subletting; Third Party Beneficiary.

20.1 Agency Assignment and Subletting. Agency shall not make or permit any direct or indirect assignment, conveyance, alienation, sublease, or other transfer (collectively, "Transfer") of Agency's interest in this Lease or in the Premises, or any part thereof or interest therein without the prior written consent of City and Owner, given or withheld in their sole and absolute discretion. Any Transfer of this Lease without the prior written consent of City and Owner shall constitute an incurable breach by Agency and shall be void. Notwithstanding the foregoing, in no event may Agency Transfer all or any portion of its interest in the Premises if such Transfer would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted

use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.2 City Assignment or Transfer. City may not assign or otherwise transfer the Premises or its rights under the this Lease without the consent of Agency and Owner, which consent shall not be unreasonably withheld, and any proposed assignment or transfer without such consent shall be void. Notwithstanding the foregoing, in no event may City assign or transfer all or any portion of its interest in the Premises or under this Lease, if such assignment or transfer would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.3 Owner Third Party Beneficiary. Owner is hereby made a third party beneficiary of this Lease, and shall be entitled to enforce the parties' obligations hereunder, subject to the notice and cure provisions contained under this Lease. Except for Owner, there are no other third party beneficiaries to this Lease. This Lease shall not be amended or terminated without the consent of Owner, which consent shall not be unreasonably withheld, so long as the amendment or termination would not: (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; (b) without Owner's consent, do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, or (v) reduce the density or intensity of development contemplated under the applicable Plan Documents; or (c) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, other than recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection and attorney's fees. Owner's remedies for any default under this Lease shall be limited to the right to seek specific performance or to cure any such default, and Owner shall have no right to seek or recover damages from either the City or Agency for any default under this Lease, except solely for recovering costs incurred in curing Agency or City defaults hereunder, plus costs of collection to the extent provided in this Lease and attorneys' fees.

20.4 Exception to Prohibition on Transfers. Notwithstanding the foregoing, for purposes hereof, a prohibited "Transfer" shall not include a Transfer to any successor to Agency, including City, so long as any such transfer would not: (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or the applicable Plan Documents; or (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan Documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, (v) reduce the density or intensity of development contemplated under the applicable Plan Documents or (vi) otherwise take any action inconsistent with the North ICA or South ICA, as applicable.

20.5 Environmental Provisions in Future Leases. (a) Subject to the provisions of this Section 20, the Agency shall include the following statement in all future leases relating to all or any portion of the Premises:

“The land described herein may contain hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction (Covenant and Restriction) dated as of February 3, 2000, and recorded on March 21, 2000, in the Official Records of San Francisco County, California, as Document No. G748551-00, which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists.”

(b) Subject to the provisions of this Section 20, in all future subleases, the Agency will provide a copy of the RMP or its relevant provisions prior to execution of such sublease agreements and ensure that such sublease agreements contain covenants that each sublessee (i) will comply with the RMP (to the extent the RMP applies to the sublessee’s activities); (ii) will obligate other entities with which the sublessee contracts for construction, property maintenance or other activities which may disturb soil or groundwater to comply with the applicable provisions of the RMP; and (iii) will refrain from interfering with City’s or Agency’s compliance with the RMP.

21. Default by Agency.

21.1 Event of Default. The occurrence of any one or more of the following events shall constitute a default by Agency:

(a) Failure by Agency to pay when due any Rent within 30 days after notice has been given by City to Agency;

(b) Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after notice has been given by City to Agency. If the default cannot reasonably be cured within 30 days, Agency shall not be in default of this Lease if Agency commences to cure the default within such thirty (30) day period and diligently and in good faith continues to cure the default; and/or

Owner in its sole and absolute discretion and without any obligation to do so may cure any default of Agency hereunder. Notices given under this section shall demand that Agency perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless City so elects in the notice. A copy of all notices given under this section shall be given to Owner concurrently with the notice to Agency.

21.2 City's Remedies. Upon default by Agency, City shall, in addition to any other remedies it may have at law or in equity, and without further notice or demand of any kind to Agency or to any other person, have the following remedies:

(a) Agency's Right to Possession Not Terminated. City may continue this Lease in full force and effect after Agency's breach, and so long as City does not terminate Agency's right to possession, City may enforce all of its rights and remedies under this Lease, including the right to collect Rent when due and City may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation an action for damages and/or proceedings to compel specific performance by Agency. No act by City allowed by this subsection shall terminate this Lease unless City notifies Agency that City elects to terminate this Lease. After Agency's default and for as long as City does not terminate Agency's right to possession of the Premises, if Agency obtains City's and Owner's consent, which may be withheld in their sole and absolute discretion, Agency shall have the right to assign or sublet its interest in this Lease, but Agency shall not be released from liability.

(b) Termination of Agency's Right to Possession. City may terminate Agency's right to possession of the Premises at any time. No act by City other than giving notice of termination to Agency shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on City's initiative to protect City's interest under this Lease shall not constitute a termination of Agency's right to possession.

(c) City's Right to Cure Agency's Default. City, at any time after Agency commits a default, may, at City's sole option, cure the default at Agency's cost. If City at any time, by reason of Agency's default, undertakes any act to cure or attempt to cure such default that requires the payment of any sums, or otherwise incurs any costs, damages, or liabilities, (including without limitation, attorneys' fees), all such sums, costs, damages or liabilities paid by City shall be due immediately from Agency to City at the time the sum is paid, and if paid by Agency at a later date shall bear interest at the lesser of ten percent (10%) or the maximum non-usurious rate City is permitted by Law to charge from the date such sum is paid by City until City is reimbursed by Agency.

The remedies set forth in this Section 21.2 are not exclusive; they are cumulative and in addition to any and all other rights or remedies of City now or later allowed by Law. Agency's obligations hereunder shall survive any termination of this Lease.

21.3 Damages. If City elects to terminate this Lease under Section 21.2(b), then in addition to any other damages City may be entitled to at law or in equity, City has the rights and remedies to recover from Agency any amounts necessary to compensate City for the detriment proximately caused by Agency's default, or which, in the ordinary course of events, would likely result, including, but not limited to, attorneys' fees and court costs, the costs of carrying the Premises such as repairs, maintenance, operation of Premises in accordance with Permitted Uses (including without limitation, costs of staff for such operation of the Premises), taxes and insurance premiums, utilities, security precautions and the reasonable costs and expenses incurred by City in (i) retaking possession of the Premises; (ii) cleaning and making repairs and alterations to the Premises, and (iii) removing, transporting and storing any of Agency's property left at the Premises (although City shall have no obligation so to do). Efforts by City to mitigate the damages caused by Agency's breach of the Lease do not waive City's rights to recover

damages upon termination.

21.4. Certain Transfers after Termination. Following any termination of this Lease and to the term of the Redevelopment Plans, the City covenants for the benefit of Owner that the City shall take no action with respect to the Premises (including placing jurisdiction over the Premises in any City department) which would (a) preclude or materially increase the cost of compliance with the Redevelopment Plans or applicable Plan Documents or (b) do any of the following: (i) affect the rights or obligations of Owner under the applicable Plan documents, (ii) alter the permitted use, (iii) decrease the height of any building, (iv) delay development, (v) reduce the density or intensity of the development contemplated under the applicable Plan Documents, or (vi) otherwise take any action inconsistent with the North ICA or South ICA, as applicable. The obligations of the City hereunder shall survive any termination of the Lease for the term of the Redevelopment Plans.

22. Litigation Expenses; Attorneys' Fees.

22.1 Litigation Expenses. If either party hereto brings an action or proceeding (including any cross-complaint or counterclaim) against the other party by reason of a default, or otherwise arising out of this Lease, the prevailing party in such action or proceeding shall be entitled to recover from the other party its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. "Prevailing party" within the meaning of this Section 22 shall include, without limitation, a party who substantially obtains or defeats, as the case may be, the relief sought in the action, whether by compromise, settlement, judgment or the abandonment by the other party of its claim or defense.

22.2 Appeals. Attorneys' fees under this Section 22 shall include attorneys' fees and all other reasonable costs and expenses incurred in connection with any appeal to a judgment arising from an action described in Section 22.1.

22.3 City Attorney/Agency General Counsel. For purposes of this Lease, reasonable fees of attorneys of the City's Office of the City Attorney and of the Agency General Counsel's Office shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience (calculated by reference to earliest year of admission to the Bar of any State) who practice in San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

23. City's Entry on Premises.

23.1 Entry for Inspection. City and its authorized Agents shall have the right to enter the Premises without notice at any time during normal business hours of generally recognized business days, provided that Agency or Agency's Agents are present on the Premises, for the purpose of inspecting the Premises to determine whether the Premises are in good condition and whether Agency is complying with its obligations under this Lease.

23.2 General Entry. In addition to its rights pursuant to Section 23.1, City and its

authorized Agents shall have the right to enter the Premises at all reasonable times for any reasonable purpose, including, but not limited to the following:

(a) To perform any services which City has the right or obligation to perform;
and/or

(b) To serve, post, or keep posted any notices required or allowed under the provisions of this Lease.

23.3 No Liability. City shall not be liable in any manner, and Agency hereby waives any claim for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, (Rent paid at Commencement Date), arising out of City's entry onto the Premises as provided in this Section 23, except damage resulting solely from the gross negligence or willful misconduct of City or its authorized representatives.

23.4 Non-Disturbance. City shall use its best efforts to conduct its activities on the Premises as allowed in this Section 23 in a manner which, to the extent reasonably practicable, will cause the least possible inconvenience, annoyance or disturbance to Agency.

24. Surrender and Quitclaim.

24.1 Surrender. Upon termination of this Lease Agency shall surrender to City the Premises and all Improvements thereon in good condition (except for ordinary wear and tear occurring after the last necessary maintenance made by Agency), except for Artwork or personal property which Agency has the right to remove under the provisions of Section 12.2. Agency shall repair any damage to the Premises for which Agency is liable under this Lease.

City may elect to retain or dispose of any personal property which Agency does not remove from the Premises as allowed or required by this Lease by giving at least ten (10) days' prior written notice of such election to Agency. Agency waives all claims against City for any damage to Agency resulting from City's retention or disposition of any personal property or Artwork left on the Premises after the expiration of the Term hereof. Agency shall be liable to City for all costs incurred by City for storing, removing or disposing of any Artwork or Agency's personal property.

If Agency fails to surrender the Premises as required by this Section 24.1, Agency shall hold City harmless from all damages resulting from Agency's failure to surrender the Premises, including, but not limited to, claims made by a succeeding tenant resulting from Agency's failure to surrender the Premises. No act or conduct of City, shall constitute an acceptance of the surrender of the Premises by Agency before the expiration of the Term. Only a notice from City to Agency shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease.

24.2 Quitclaim. Upon termination of this Lease, the Premises shall automatically, and without further act or conveyance on the part of Agency or City, become the property of City, free and clear of all liens (including without limitation, any liens created pursuant to the CFD)

and leasehold mortgages (which are expressly prohibited) and without payment therefor by City and shall be surrendered to City upon such date. Upon or at any time after the date of termination of this Lease, if requested by City, Agency shall promptly deliver to City, without charge, a quitclaim deed to the Premises and any other instrument reasonably requested by City to evidence or otherwise effect the termination of Agency's leasehold estate hereunder and to effect such transfer or vesting of title to the Premises or any Improvements or Alterations that City agrees are to remain part of the Premises pursuant to the provisions of Section 12.3 above.

25. Holding Over. Any holding over after the expiration of the Term with the consent of City shall be deemed a month-to-month tenancy and shall be upon each and every one of the terms, conditions and covenants of this Lease, except that, at City's election, the Rent shall be adjusted to the then current market rate as reasonably determined by City. Either party may cancel said month-to-month tenancy upon thirty (30) days' written notice to the other party.

26. Mineral Reservation. The State of California, pursuant to Section 2 of Chapter 1333 of the Statutes of 1968, as amended, has reserved all subsurface mineral deposits, including oil and gas deposits, on or underlying those portions of the Premises located within the jurisdiction of the Port. In accordance with the provisions of said Statutes, City and Agency shall and hereby do grant to the State of California the right to explore, drill for and extract said subsurface minerals, including oil and gas deposits, from the Mineral Reservation area located by the California Grid System as more particularly described as follows: [to be inserted] [only for leases within Port's jurisdiction].

27. City Requirements.

27.1 Non-Discrimination. Agency shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B.2 and 12C.2 of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by this reference and made a part hereof as though fully set forth herein. Agency agrees to comply with the terms of the North OPA, South OPA, Redevelopment Plans, and Plan Documents.

27.2 Program in Diversity/Economic Development Program. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including without limitation, the First Source Hiring and Prevailing Wage requirements, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

27.3 MacBride Principles-Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride

Principles. Agency acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

27.4 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 12I.3.b and 12I.4.b of the San Francisco Administrative Code, Agency shall not provide any items to the construction of Agency Improvements or the Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Agency fails to comply in good faith with any of the provisions of Section 12I of the San Francisco Administrative Code, Agency shall be liable for liquidated damages for each violation in any amount equal to Agency's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

27.5 Pesticide Prohibition. Agency shall comply with the provisions of Section 39.9 of Chapter 39 of the San Francisco Administrative Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Agency to submit to the Port of San Francisco as to those portions of the Premises designated in Exhibit B as "Port Property" and to the Department of Administrative Services, Real Estate Division of the City as to all other portions of the Premises an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that tenant may need to apply to the Premises during the terms of this Lease, (b) describes the steps Agency will take to meet the City's IPM Policy described in section 39.1 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as the Agency's primary IPM contact person with the City. In addition, Agency shall comply with the requirements of Sections 39.4(b) of the Pesticide Ordinance as of January 1, 2000.

27.6 First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. The Agency hereby acknowledges that Owner has committed to certain obligations in connection with first source hiring, referral and job training, all as set forth in Schedule 4 to Exhibit H of the North OPA and the South OPA. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations regarding first source hiring, referral and job training under the North OPA and the South OPA.

27.7 Drug-Free Workplace. Agency acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Agency agrees that any violation of this prohibition by Agency, its Agents or assigns shall be deemed a material breach of this Lease.]

27.8 Prohibition of Tobacco Advertising. Agency acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the City, including the Premises. This prohibition includes the placement of the

name of a company producing selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

27.9 Prevailing Wages. The Parties hereby acknowledge that the Owner has agreed to comply with the Program in Diversity/Economic Development Program obligations and requirements, including the requirement to pay prevailing wages, as set forth in and attached to the North OPA and the South OPA, respectively. Agency hereby agrees to use reasonable efforts to enforce Owner's obligations under such programs.

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

**Acting by
And through
Its Board of
Supervisors:**

**Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880**

Copy to:

**City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place,
Room 234**

**San Francisco, CA 94102-4682
Attention: Donnell W. Choy
Deputy City Attorney
FAX NO: (415) 554-4755
Telephone No: (415) 554-4736**

**Acting by
And through
Its Port:**

**Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400**

Copy to:

**City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Neil Sekhri
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0484**

Address for Agency:

**San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director**

Copy to:

**Agency General Counsel's Office
San Francisco Redevelopment Agency
770 Golden Gate Avenue, 3rd Floor
San Francisco, CA 94102
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454**

Address for Owner:

**Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105**

Atten: Asset Management

**Copy to: Catellus Operating Limited Partnership
201 Mission Street
San Francisco, CA 94105
Atten: General Counsel**

**And to: Catellus Operating Limited Partnership
255 Chandel Street
San Francisco, CA 94107
Atten: Mission Bay Development Office**

29 Time is of the Essence. Time is of the essence as to each and every provision of this Lease.

30. Signs. Except as permitted under the North OPA and the South OPA, respectively, and the Master Signage and Streetscape Plans, Agency shall not have the right to place, construct or maintain any sign, advertisement, awning, banner or other exterior decoration on the Premises without City's prior written consent.

31. Miscellaneous Provisions.

31.1 California Law. This Lease shall be construed and interpreted in accordance with the Laws of the State of California and City's Charter.

31.2 Entire Agreement. This Lease and its Exhibits contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Lease. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to such subject matter are superseded in total by this Lease. No prior drafts of this Lease or changes from those drafts to the executed version of this Lease shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider those drafts in interpreting this Lease.

31.3 Amendments. No amendment of this Lease or any part thereof shall be valid unless it is in writing and signed by all of the parties hereto and approved in writing by Owner.

31.4 Severability. Except as is otherwise specifically provided for in this Lease, invalidation of any provision of this Lease, or of its application to any person, by judgment or court order, shall not affect any other provision of this Lease or its application to any other person or circumstance, and the remaining portions of this Lease shall continue in full force and effect, unless enforcement of this Lease as invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purposes of this Lease.

31.5 No Party Drafter; Captions. The provisions of this Lease shall be construed as a whole according to their common meaning and not strictly for or against any party in order to achieve the objectives and purposes of the parties. Any caption preceding the text of any section,

paragraph or subsection or in the table of contents is included only for convenience of reference and shall be disregarded in the construction and interpretation of this Lease.

31.6 Singular, Plural, Gender. Whenever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, and vice versa.

31.7 Successors. The terms, covenants, agreements and conditions set forth in this Lease shall bind and inure to the benefit of City and Agency and, except as otherwise provided herein, their personal representatives and successors and assigns.

31.8 Counterparts. For convenience, the signatures of the parties to this Lease may be executed and acknowledged on separate pages which, when attached to this Lease, shall constitute this as one complete Lease. This Lease may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same Lease.

31.9 Waiver. No failure by City to insist upon the strict performance of any obligation of Agency under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of full or partial Rent during the continuance of any such breach shall constitute a waiver of such breach or of City's rights to demand strict compliance with such term, covenant or condition. City's consent to or approval of any act by Agency requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act by Agency. Any waiver by City of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

31.10 Further Assurances. The parties hereto agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to carry out the mutual intent of the parties as expressed in this Lease.

IN WITNESS WHEREOF, CITY and Agency execute this Lease at San Francisco, California, as of the date set forth above.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

By 
WILLIE L. BROWN, JR.
Mayor

AGENCY:

Redevelopment Agency a
of the City and County of
San Francisco

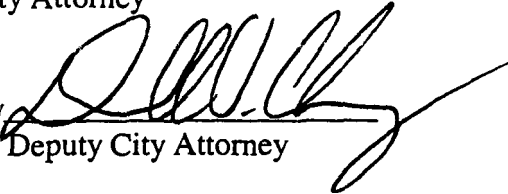
By  8/18/03
MARCIA ROSEN
Deputy Executive Director

By 

Acting Director of Property

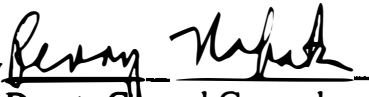
APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By 
Deputy City Attorney

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By 
Deputy General Counsel

SAN FRANCISCO PORT COMMISSION

By 
DOUGLAS F. WONG *Far Day Wong*
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By 
Deputy City Attorney

CONSENT

The undersigned, on behalf of Owner, in executing this Lease for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Catellus Lease; provided, however, that nothing continued herein shall be deemed to impose any obligations or liabilities upon Owner under the Lease, hereby consents to the foregoing Ground Lease.

CATELLUS OPERATING LIMITED PARTNERSHIP,
a Delaware limited partnership (as successor by merger
to Catellus Development Corporation)

By: Catellus Development Corporation,
a Delaware corporation (formerly known as Catellus SubCo, Inc.),
Its: Sole general partner,

By: Catellus Urban Development Corporation, a Delaware
corporation, its authorized agent _____


By: 
Name: ERIC HARRISON
Title: SP. VICE PRESIDENT

EXHIBIT “A”

Open Space Development Parcels

EXHIBIT A

Page 1 of 2

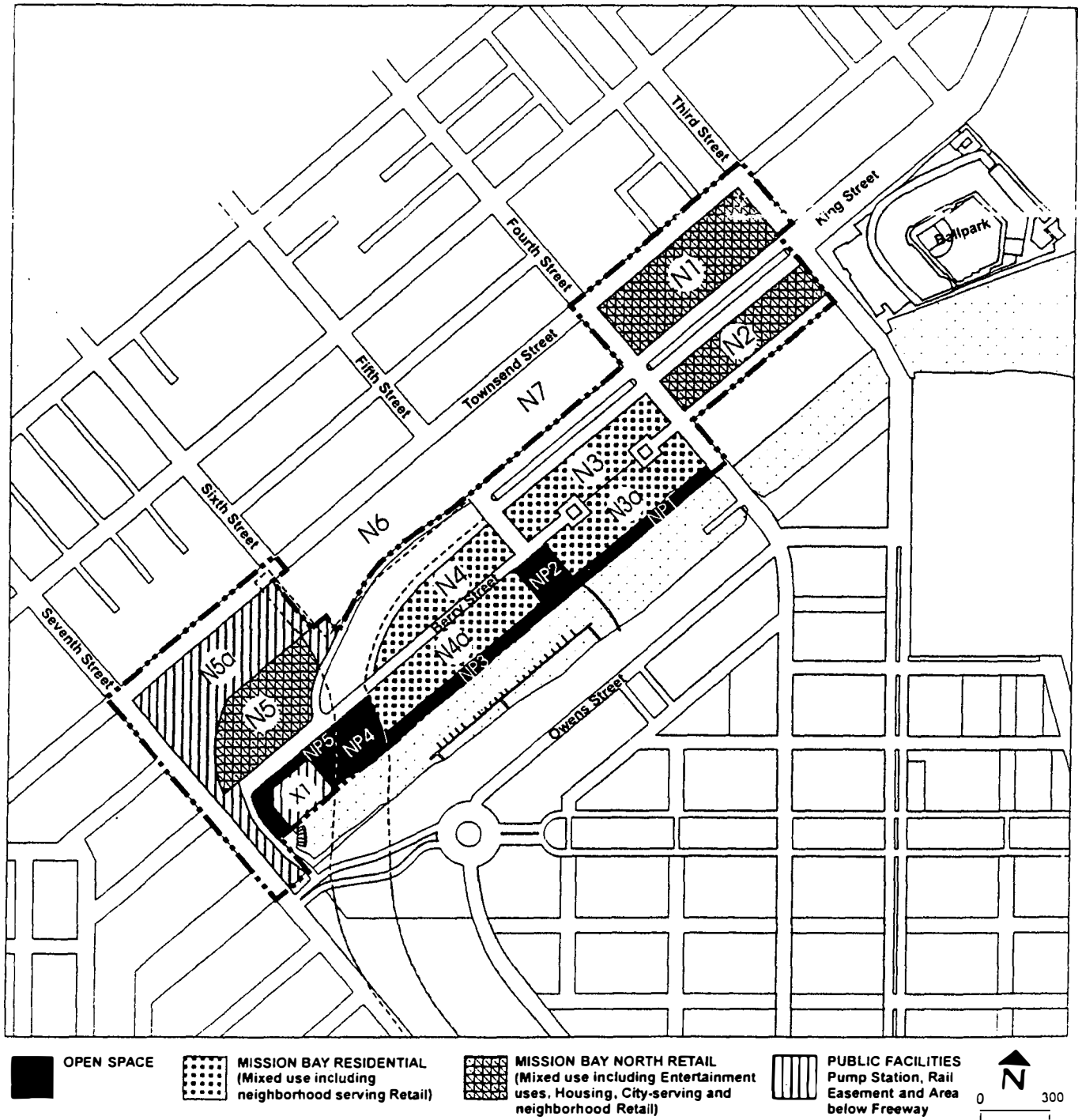
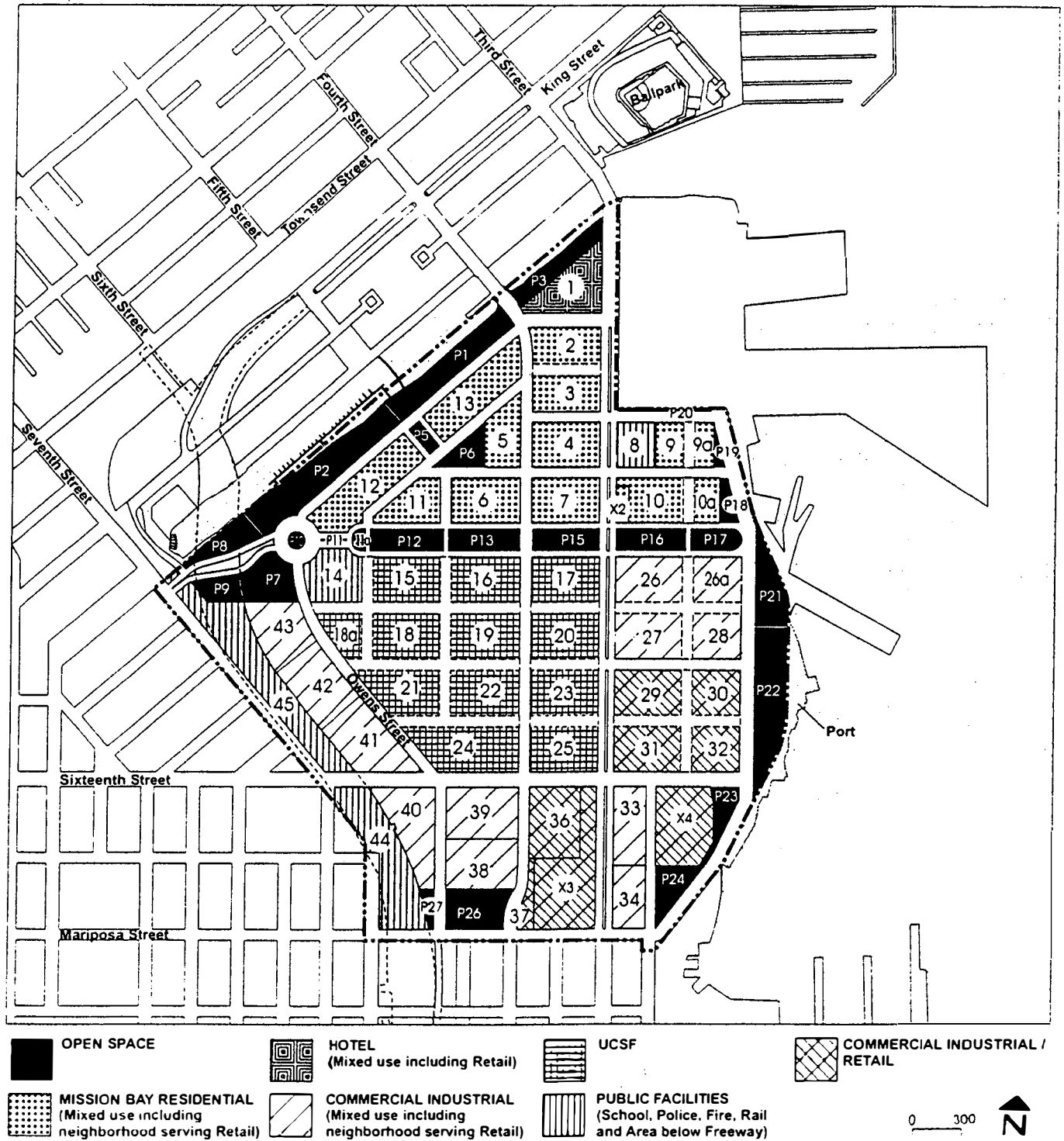


EXHIBIT A

Page 2 of 2



MISSION BAY LAND USE PLAN - SOUTH

JOHNSON FAIR PARTNERS

SAN FRANCISCO, CALIFORNIA

CATELLUS DEVELOPMENT CORPORATION

EXHIBIT “B”

Premises

EXHIBIT "B-1"

(P1 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:


Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

BEGINNING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet; thence, SOUTH 46°18'07" WEST, 142.57 feet; thence, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, of that line called for in said State Trust Parcel 2, cited in the above said Patent, as course, NORTH 46°18'07" EAST, 750.68 feet; thence, along said parallel line, SOUTH 46°18'07" WEST, 583.49 feet, to a tangent curve concave northerly, having a radius of 59.50 feet, southwesterly and westerly, along said curve, through a central angle of 67°53'05", an arc length of 70.50 feet; thence, NORTH 65°48'48" WEST, 40.58 feet, to a tangent curve, concave southerly, having a radius of 85.50 feet; thence, westerly, along said curve, through a central angle of 32°49'49", an arc length of 48.99 feet, to the southwesterly line of former Fifth Street, as shown on the above said "Map of Mission Bay"; thence, along said southwesterly line, NORTH 43°41'53" WEST, 110.35 feet, to the said southeasterly line of Channel Street (200' wide); thence, along said southeasterly line, NORTH 46°18'07" EAST, 907.95 feet to the **POINT OF BEGINNING**.

Containing 187,735 sq. ft., more or less.

Prepared by:


Terrence T. Connors
LS 5099, expires 6/30/07

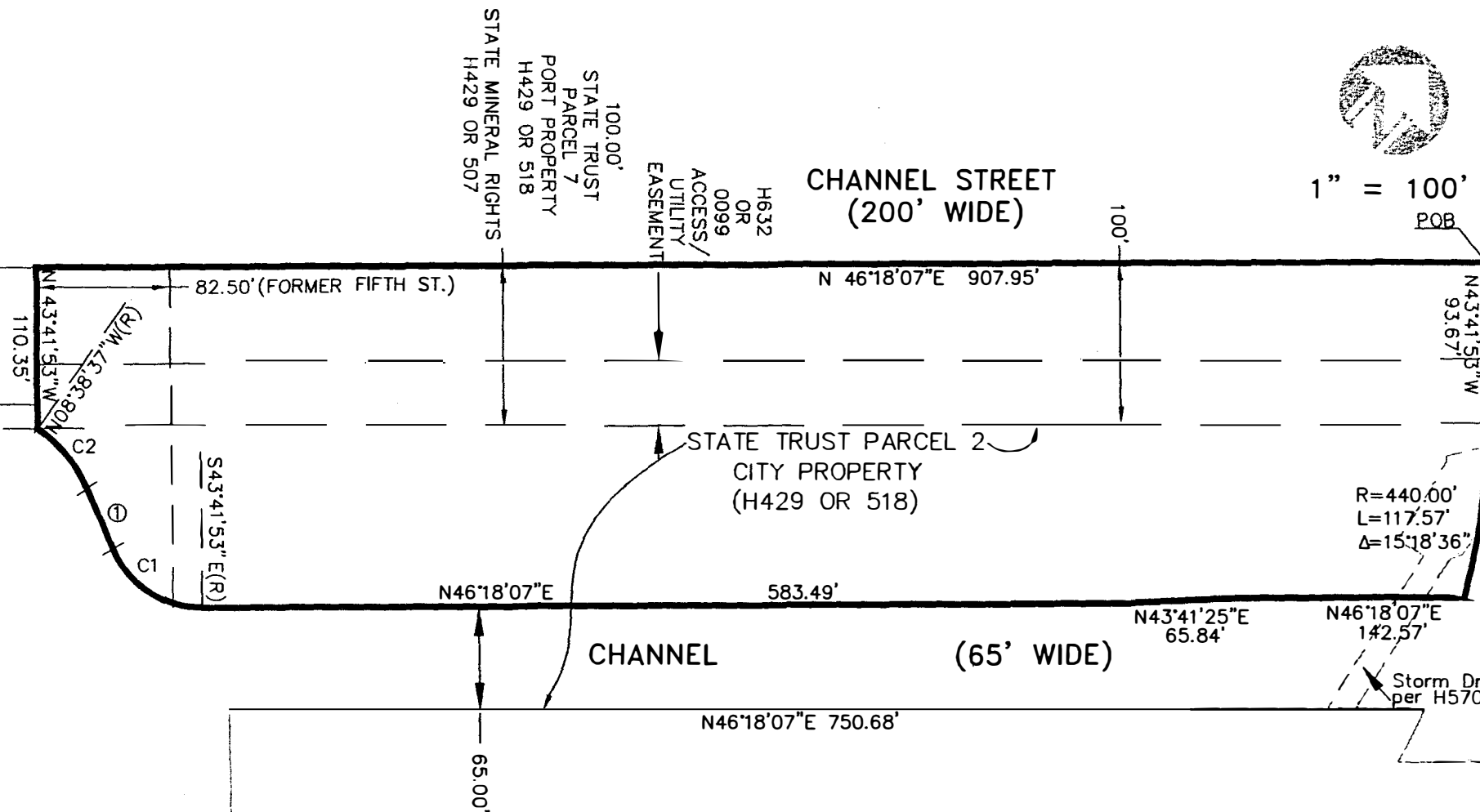


(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)

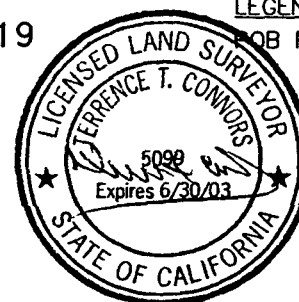


1" = 100'
POB



① N65°48'48"W 40.58'
R=59.50' R=85.50'
C1= L=70.50' C2= L=48.99'
Δ=67°53'05" Δ=32°49'49"

8711/1
Z M 97-119



LEGEND
POB POINT OF BEGINNING

Storm Drain Easement
per H570 OR 0352

te: 12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1, PLAT TO ACCOMPANY
LEGAL DESCRIPTION
PARK P-1

sheet 1
of
sheet 1

Exhibit “B-1.1”

Excepting there from the following reservations, the terms and uses of which are individually described as follows:

Joint Trench Easement – The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of the City and County of San Francisco, its permittees, grantees, licensees, employees, and contractors and various utility providers, including but not limited to, the City and County of San Francisco Bureau of Lighting, Heat & Power, Department of Telecommunications & Information Services and Public Utilities Commission; Pacific Gas & Electric; Pacific Bell; RCN; AT&T; etc., in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit B-1.1) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telegraphic, telecommunication and telephone lines, street lighting facilities, and facilities

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

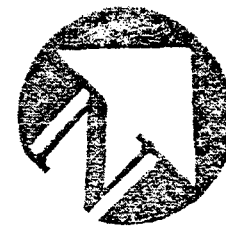
Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled “Map of Mission Bay”, recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

COMMENCING at the intersection of the southeasterly line of Channel Street (200' wide) with the southwesterly line of Fourth Street (102.50' wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 93.67 feet, to a tangent curve concave southwesterly, having a radius of 440.00 feet; thence, southerly, along said curve, through a central angle of 15°18'36", an arc length of 117.57 feet, to the **TRUE POINT OF BEGINNING**, said point being the beginning of a non-tangent line, and to which point a radial line bears, NORTH 61° 36' 43" EAST; thence, along said non-tangent line, being also the southeasterly line of this description, SOUTH 46°18'07" WEST, 142.57 feet; thence, continuing along said southeasterly line, SOUTH 43°41'25" WEST, 65.84 feet, to a line parallel with, and distant 65.00 feet northwesterly, measured at right angles, to the line cited in the above said Patent as course: NORTH 46°18'07"

EAST, 750.68 feet; thence, along said parallel line, SOUTH $46^{\circ}18'07''$ WEST, 683.99 feet, to the southwesterly line of former Fifth Street (82.50 feet wide), as said street is shown on the above said map (Z Maps 97-119); thence, along said southwesterly line of former Fifth Street, NORTH $43^{\circ}41'53''$ WEST, 11.50 feet, to a line parallel with and distant northwesterly 11.50 feet, measured at right angles to the southeasterly line of this description herein described; thence, along said parallel line the following courses and distances: NORTH $46^{\circ}18'07''$ EAST, 683.73 feet; NORTH $43^{\circ}41'25''$ EAST, 65.84 feet; and, NORTH $46^{\circ}18'07''$ EAST, 145.82 feet, to a point on the herein described tangent curve having a radius of 440.00 feet, and to which point a radial line bears NORTH $60^{\circ}03'54''$ EAST; thence southerly along said curve, through a central angle of $1^{\circ}32'49''$, an arc length of 11.88 feet, to the **POINT OF BEGINNING**.

Containing 10,280 Sq. Ft., more or less.



1" = 100'

(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)

100.00'
STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

CHANNEL STREET
200' WIDE

N 46°18'07"E 907.95'

82.50' (former fifth st.)

POC

N 43°41'53"W
93.67'

R=440.00'
L=117.57'(T)
Δ=15°18'36"(T)

STATE TRUST PARCEL 2
CITY PROPERTY
(H429 OR 518)

H632
OR
0099
ACCESS/
UTILITY
EASEMENT

65.00'

N 46°18'07"E 683.73'

N 46°18'07"E 683.99'

CHANNEL

(65' WIDE)

N 43°41'25"E
65.84'

145.82'
N 46°18'07"E

N 43°41'25"E
65.84'

N 46°18'07"E
142.57'

C1

N 61°36'43"E(R)

POB

N 46°18'07"E 750.68'

R=440.00'
C1= L=11.88'
Δ=1°32'49"

8711/1
Z M 97-119

LEGEND

POC POINT OF COMMENCEMENT

POB POINT OF BEGINNING

(T) TOTAL

CITY AND COUNTY OF SAN FRANCISCO

te: 12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.1 JOINT TRENCH EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

Pacific Gas & Electric Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco, in its corporate capacity, for the future benefit of Pacific Gas & Electric in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of utility facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of gas pipelines, telecommunication and facilities for the transportation or distribution of electric energy.

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

Legal Description

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

An area, 20 feet in width (measured at right angles), centered around the future Pacific Gas & Electric facilities extending northerly from the northwesterly right-of-way line of future Channel to an electrical transformer, lighting and irrigation service panel pad and westerly from the electrical transformer, lighting and irrigation service pad to an electrical service panel near the concession building, as generally shown northwesterly of station 22+00 on the improvement plans prepared for Catellus Development Corporation (as Permittee) by RBF Consulting, entitled "Mission Creek Park, Block P1 – 100% Submittal" approved by the Director, San Francisco Department of Public Works, on January 18, 2002, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-1.2 to be used for reference only.

LEGEND
EL. ELECTRICAL



1" = 100'

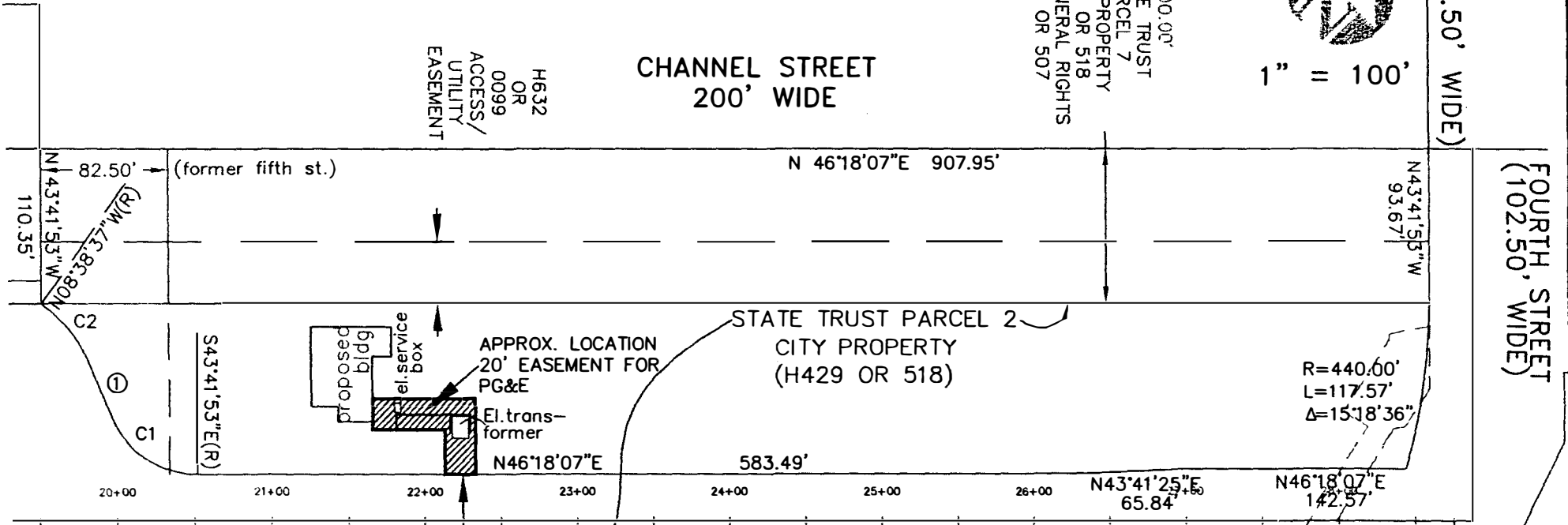
100.00'
STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

CHANNEL STREET
200' WIDE

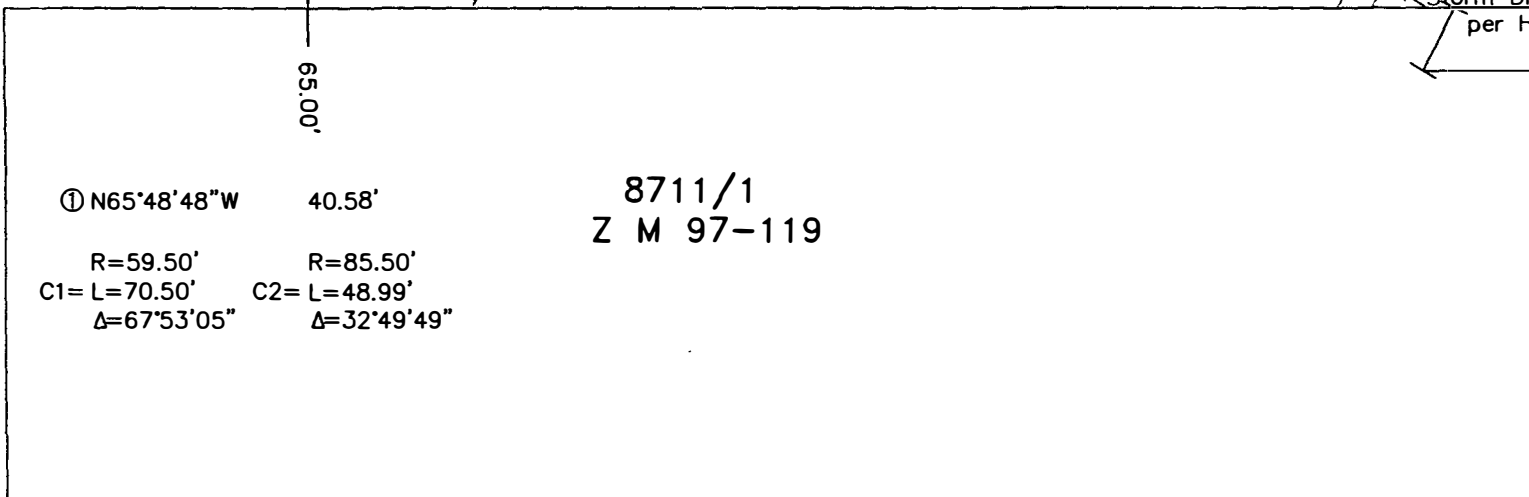
H632
OR
0099
ACCESS/
UTILITY
EASEMENT

(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)



CHANNEL (65' WIDE)



e: 12/11/03	Mission Bay Project San Francisco, California EXHIBIT B-1.2 PACIFIC GAS & ELECTRIC EASEMENT PLAT TO ACCOMPANY LEGAL DESCRIPTION	sheet 1 of sheet 1
rwh		

Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facility and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Sewer Facility as it now exists. The sidelines of said easement shall be lengthened or shortened so as to extend from the from the southwesterly right-of-way line of Fourth Street (102.5 feet wide) to the southwesterly property line of the above described SFRA Lease Parcel (Exhibit A) and create a continuous easement throughout. Said easement is shown in its approximate location on the attached plat map B-1.3 to be used for reference only.



1" = 100'

(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)

N43°41'53"W

93.67'

R=440.00'
L=117.57'
Δ=15°18'36"

N46°18'07"E
142.57'

N43°41'25"E
65.84'

Storm Drain Easement
per H570 OR 0352

100.00'
STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

20.00'
PROPOSED CITY
COMBINED SEWER,
ACCESS, AND
MAINTENANCE
EASEMENT

H632
OR
0099
ACCESS/
UTILITY
EASEMENT

100.00'
H429 OR 507
STATE MINERAL RIGHTS

N 46°18'07"E 907.95'

EX.
COMBINED
SEWER

(former fifth st.)

STATE TRUST PARCEL 2
CITY PROPERTY
(H429 OR 518)

583.49'

CHANNEL (65' WIDE)

N46°18'07"E

65.00'

① N65°48'48"W 40.58'
R=59.50' R=85.50'
C1=L=70.50' C2=L=48.99'
Δ=67°53'05" Δ=32°49'49"

8711/1
Z M 97-119

e: 12/11/03

rwh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.3 COMBINED SEWER EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel the non-exclusive right to be held by the City and County of San Francisco Department of Transportation, MUNI, and its permittees, grantees, licensees, employees, and contractors, in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 2 and 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All streets and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet, measured at right angles, on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MUNI, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MUNI, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director.

The sidelines of said easement shall be lengthened or shortened so as to extend from the southeasterly line of Channel Street (200 feet wide) southerly to the northwesterly right-of-way line of future Channel (65 feet wide) and create continuous easements throughout. Said easements are shown in their approximate locations on the attached plat map B-1.4 to be used for reference only.



1" = 100'

CHANNEL STREET
200' WIDE

STATE TRUST
PARCEL 7
PORT PROPERTY
H429 OR 518
STATE MINERAL RIGHTS
H429 OR 507

(82.50' WIDE)

FOURTH STREET
(102.50' WIDE)

N43°41'53"W

93.67'

240'±

15.00'

MUNI

MUNI

15.00'

R=440.00'
L=117.57'
Δ=15°18'36"

N43°41'25"E
65.84'

N46°18'07"E
142.57'

Storm Drain Easement
per H570 OR 0352

CHANNEL

(65' WIDE)

N46°18'07"E

583.49'

65.00'

① N65°48'48"W 40.58'

R=59.50' R=85.50'
C1= L=70.50' C2= L=48.99'
Δ=67°53'05" Δ=32°49'49"

8711/1
Z M 97-119

Date: 12/11/03

rw

Mission Bay Project
San Francisco, California
EXHIBIT B-1.4 MUNI DUCT BANK EASEMENT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

Carmen's Parking Easement – The non-exclusive right to be held by the City and County of San Francisco, and the City acting by and through the San Francisco Port Commission in, upon, and over that portion of the SFRA Ground Leased Parcel (Exhibit A) described herein, to the extent necessary for access, cleaning, operation, policing, repair and maintenance of facilities, appurtenances, signs, and other fixtures for vehicular parking for the benefit of the adjacent tenant leased area now known as Carmen's Restaurant. Said easement is shown in their approximate locations on the attached plat map B-1.5 to be used for reference only.

Legal Description

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:

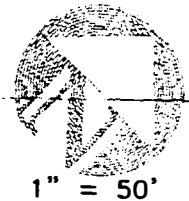
Being a portion of State Trust Parcel 2 and State Trust Parcel 7, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999, in Reel H429 Image 518, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street and street lines hereinafter mentioned are in accordance with that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z of Maps, at pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Commencing at the intersection of the southeasterly line of Channel Street (200.00 feet wide) and the southwesterly line of Fourth Street (102.50 feet wide); thence, along said southwesterly line of Fourth Street, SOUTH 43°41'53" EAST, 76.30 feet, to the beginning of a non-tangent curve concave to the southeast, having a radius of 15.00 feet, to which a radial line bears, NORTH 52°53'32" WEST, said point being the **POINT OF BEGINNING** of this description; thence, southerly along said non-tangent curve, through a central angle of 83° 55'08", an arc length of 21.97 feet; thence, SOUTH 39°54'25" EAST, 40.96 feet, to the beginning of a non-tangent curve concave to the northeast, having a radius of 15.00 feet, to which a radial line bears, SOUTH 38°53'28" WEST; thence, easterly along said non-tangent curve, through a central angle of 72°21'49", an arc length of 18.94 feet, to a point on a non-tangent curve concave to the southwest, having a radius of 440.00 feet, to which point a radial line bears, NORTH 53° 04'57" EAST; thence, northwesterly along said non-tangent curve, through a central angle 6°46'50", an arc length of 52.07 feet; thence, NORTH 43°41'53" WEST, 17.37 feet to the **POINT OF BEGINNING**.

Containing 820 Sq. Feet., more or less.

CHANNEL STREET
(200' wide)



STATE TRUST
PARCEL 7

POC

28.50'

N52°53'32"W (R)
N43°41'53"W
76.30'
93.67'

FOURTH STREET
(102.50' WIDE)

8714/2

LEGEND:

POC: POINT OF COMMENCEMENT
POB: POINT OF BEGINNING

R=15.00' N43°41'53"W
C1=L=21.97' L1= 17.37'
Δ=83°55'08"

STATE TRUST PARCEL 2

R=15.00'
C2=L=18.94'
Δ=72°21'49"

R=440.00'
C3=L=52.07'
Δ=6°46'50"

N39°54'25"W
40.96'

N46°18'07"E (R)

N38°53'28"E (R)

N53°04'57"E (R)

R=440.00'
L=65.50'
Δ=8°31'46"

N61°36'43"E (R)

MONUMENT LINE
N43°41'53"W

STATE TRUST
PARCEL 2

8715/2
H712 OR 294

FUTURE CHANNEL

8711/1
Z MAPS 97-119

8715/3
H712 OR 294

ite: 12/11/03

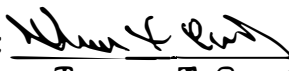
: r.wh

Mission Bay Project
San Francisco, California
EXHIBIT B-1.5 PARKING LOT
PLAT TO ACCOMPANY
LEGAL DESCRIPTION

sheet 1
of
sheet 1

As to each of the reservations set forth in this Exhibit B-1.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Descriptions and Plat Maps were prepared by me or under my direction.

By: 
Terrence T. Connors
LS 5099, expires 6/30/07



**FIRST AMENDMENT TO
GROUND LEASE**

**BY AND BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO**

**AND
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

Mission Bay

FIRST AMENDMENT TO
AGENCY GROUND LEASE

THIS FIRST AMENDMENT TO AGENCY GROUND LEASE ("Amendment"), dated for reference purposes only as of June 22, 2006, by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, and with respect to all property subject to this Lease located within the jurisdiction of the Port Commission included within the definition of "Premises", as hereinafter set forth, the City acting by and through the San Francisco Port Commission, ("City") and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), is made with reference to the following facts:

RECITALS

A. The City and the Agency entered into that certain Agency Ground Lease (the "Ground Lease") dated for reference purposes only as of November 16, 2001, to implement the improvement of open space, parks, or plazas as contemplated by the Land Transfer Agreements and the Plan Documents, including the North OPA and the South OPA, each as defined hereinbelow.

B. On October 26, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North") by Ordinance No. 327-98, and on November 2, 1998, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South") by Ordinance No. 335-98 (collectively, the "Redevelopment Plans", and individually, the "Mission Bay North Redevelopment Plan" or "Mission Bay South Redevelopment Plan". The Redevelopment Plans were adopted in accordance with the procedures set forth in the Community Redevelopment Law of California (Sections 33000 et seq. of the Health and Safety Code).

C. In connection with the implementation of the Redevelopment Plans, the Agency and Catellus Development Corporation ("Catellus") entered into the Mission Bay North Owner Participation Agreement (the "North OPA") and the Mission Bay South Owner Participation Agreement (the "South OPA"). The North OPA and the South OPA each set forth phasing principles that govern Catellus' and its permitted Transferees' (collectively "Owner") obligations under the North OPA and the South OPA to construct Infrastructure related to its development of the North Plan Area and the South Plan Area, including, without limitation, public open space, parks and plazas. The capitalized terms used herein shall have the meanings set forth in the North OPA or South OPA, as applicable (and as the context may require) unless otherwise defined herein.

D. Also in connection with the implementation of the Redevelopment Plans, the City and Owner entered into (1) the Amended and Restated Mission Bay City Land Transfer Agreement

("CLTA"), (2) the Amended and Restated Agreement Concerning the Public Trust ("ACPT"), which included as a party the State of California, and (3) the Amended and Restated Mission Bay Port Land Transfer Agreement ("PLTA"). The CLTA, the PLTA, and the ACPT are collectively referred to as the "Land Transfer Agreements." In 1998, most of the lands in the North Plan Area and the South Plan Area (except the Campus Site area) were owned by either the City or Owner.

E. Pursuant to the CLTA and the PLTA, the City and Owner (i) exchanged certain lands as set forth in and in accordance with the terms and conditions of the CLTA and PLTA, and (ii) entered into a master lease (the "Master Lease"), under which the City leased back to Owner some of the lands the City received from Owner in the exchange together with certain other lands owned by the City. All of the lands subject to the Catellus Lease are in either the North Plan Area or the South Plan Area.

F. The Master Lease is structured to, among other things, require Owner to maintain control and responsibility over portions of the Premises (as that term is defined below) until (and shall terminate as to the applicable portions of the Premises at) either (i) such time as the Owner is prepared to construct public open space, parks or plazas thereon in accordance with the North OPA, or South OPA in the applicable portion of the Premises or (ii) such time as City, acting as the trust administrator of the Public Trust, elects to terminate applicable portions of the premises under the Master Lease in accordance with the terms thereof in order to convert the use of the applicable portions of the premises under the Master Lease to a permitted use under the Public Trust. The Ground Lease is designed to become effective over those portions of the Premises which are intended for uses as public open space, parks or plaza for which the Master Lease has been terminated, upon such termination of the Master Lease. As used herein, the term "Plan Documents" means the Redevelopment Plans, the North OPA, the South OPA, the Design for Development for Mission Bay North and Mission Bay South, the Mission Bay Subdivision ordinance and regulations adopted thereunder.

G. Catellus has entered into a restructuring transaction involving the Mission Bay project. On November 22, 2004, Catellus Land and Development Corporation, Catellus Operating Limited Partnership, Catellus Residential Group, Inc., Catellus Finance Company, LLC, and Mission Bay S26(a), LLC, each a seller and a subsidiary of Catellus, as sellers, entered into a Purchase Agreement with FOCIL Holdings, LLC and certain of its affiliated entities, as buyers, under which Catellus and its subsidiaries have sold a significant portion of Catellus' remaining urban and residential development assets in Mission Bay to FOCIL-MB, LLC ("FOCIL"). In connection with the Purchase Agreement referred to above, FOCIL and certain of its affiliated entities also entered into a Development Agreement with Catellus Urban Construction, Inc. and Catellus Commercial Development Corporation, each a subsidiary of Catellus, under which the FOCIL entities have engaged the Catellus subsidiaries to act as development manager for the transferred assets. In addition, Catellus Finance Company, LLC, a subsidiary of Catellus, entered into a loan agreement with a FOCIL entity, and CF Capital, LLC, a subsidiary of Catellus, entered into a separate loan agreement with other FOCIL entities, in each case to fund a portion of the purchase price for the transferred assets. The sale of the assets and the other transactions, contemplated by these agreements, closed on November 22, 2004. An Assignment, Assumption and Release document dated November 22, 2004 was recorded in the

G. Owner has met the conditions of Owner in the North OPA for the development of Parks NP1 and NP2 in Mission Bay North and in the South OPA for the development of Park P17 in Mission Bay South, to obligate the Agency to enter into an amendment to the Ground Lease.

H. Pursuant to the Plan Documents, the Land Transfer Agreements, and the Master Lease, the City and Agency wish to amend the Ground Lease to add the legal descriptions of Parks NP1 and NP2 in Mission Bay North and Park P17 in Mission Bay South to the Premises and attach such descriptions to the Ground Lease as part of Exhibit B

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to amend the Ground Lease as follows:

1. Exhibit B of the Ground Lease is hereby amended to add and incorporate the legal descriptions shown on Exhibit B-2 and Exhibit B-3 attached to this Amendment. Exhibit B-2 sets forth the legal descriptions to parks NP1 and NP2 in Mission Bay North, and Exhibit B-3 sets forth the legal description to park P17 in Mission Bay South.
2. Section 28 of the Ground Lease is hereby amended in its entirety to read as follows:

28. Notices. Except as otherwise expressly provided in this Lease or by Law, any and all notices or communications required or permitted by this Lease or by Law to be served on, given to or delivered to either party by the other party shall be in writing and shall be given by one of the following methods: (a) delivering the notice in person, (b) sending the notice by United States Mail, first class, postage prepaid, or sending the notice by overnight courier or mail, with postage prepaid, to the mailing address set forth below. Copies of all such notices or communications sent by either City or the Agency pursuant to this Lease to the other party shall also be sent concurrently to Owner. Subject to the restrictions set forth below and only for the convenience of the parties, copies of notices also may be given by telefacsimile to the fax number set forth below. Either party may change such party's mailing address or telefacsimile number at any time by giving written notice of such change to the other party in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Lease shall be deemed to be duly served, given, delivered, made or communicated on the date personal delivery actually occurs or, if mailed, on the date of deposit in the United States Mail. A person or party may not give official or binding notice by telefacsimile. Service of process at Agency's address set forth below or other address, notice of which is given in accordance with the terms of this Section 28, shall be valid and binding upon such party.

Address for City:

Acting by
And through
Its Board of
Supervisors:

Director of Property
City of San Francisco
25 Van Ness Avenue, Suite 401
San Francisco, CA 94102
FAX NO: (415) 552-9216
Telephone No: (415) 554-9880

Copy to.

City Attorney's Office
City of San Francisco
1 Dr. Carlton B. Goodlett Jr. Place, Room 234
San Francisco, CA 94102-4682
Attention: Finance/Real Estate Transaction Team
FAX NO: (415) 554-4755

Acting by
And through
Its Port:

Director of Real Estate
City of San Francisco
Pier 1
San Francisco, CA 94111
FAX NO: (415) 274-0578
Telephone No: (415) 274-0400

Copy to:

City Attorney's Office
Port of San Francisco
Pier 1
San Francisco, CA 94111
Attention: Robert Bryan
Deputy City Attorney
FAX NO: (415) 274-0494
Telephone No: (415) 274-0485

Address for Agency:

San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2525
Telephone No: (415) 749-2400
Executive Director

Copy to: Agency General Counsel's Office
San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
FAX NO: (415) 749-2590
Telephone No: (415) 749-2454

Address for Owner:

FOCIL-MB, LLC, a Delaware limited liability company
c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 1325
San Francisco, CA 94111
Atten: Seth Hamalian
Richard Fried

Copy to: Coblentz, Patch, Duffy & Bass, LLP
One Ferry Building, Suite 200
San Francisco, CA 94111
Atten: Joshua R. Steinhauer

And to: ProLogis
255 Channel Street
San Francisco, CA 94107
Atten: William Kennedy, First Vice President

3. Except as expressly modified by this Amendment, all of the terms and conditions of the Ground Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, CITY and Agency execute this Amendment at San Francisco, California, as of the date set forth above.

CITY:

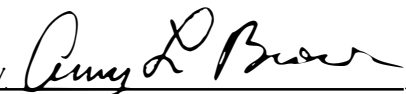
CITY AND COUNTY OF SAN FRANCISCO,
municipal corporation,

By


GAVIN NEWSOM

Mayor

By



Amy L. Brown

Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By


Deputy City Attorney
for the CITY

SAN FRANCISCO PORT COMMISSION

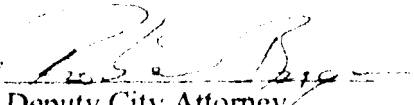
By


MONIQUE MOYER
Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

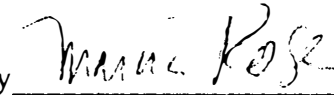
By


Deputy City Attorney
for the PORT

AGENCY:

Redevelopment Agency
of the City and County of
San Francisco

By

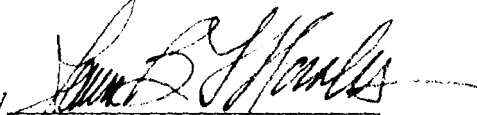

MARCIA ROSEN

Executive Director

APPROVED AS TO FORM:

JAMES B. MORALES,
General Counsel

By


Deputy General Counsel

CONSENT

The undersigned, on behalf of Owner, in executing this Amendment for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Master Lease; provided, however, that nothing continued herein shall be deemed to impose any additional obligations or liabilities upon Owner under the Amendment other than as is already set forth in the Plan Documents and the Land Transfer Agreements, hereby consents to the foregoing Amendment.

FOCIL-MB, LLC, a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
its Manager

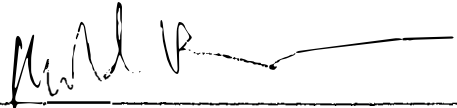
By: 
Name: **Richard B. Fried**
Its: **Managing Member**

EXHIBIT “B-2”

(NP1 & NP2 PARKS)

EXHIBIT "B-2"

(NP1 & NP2 PARKS)

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Park NP1

Beginning at the most southerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of said City and County; thence, along the southeasterly line of said Lot 4, being also a boundary line of the above-said State Trust Parcel 1, North 46°18'07" East, 776.70 feet, to the southwesterly line of Fourth Street (82.50' wide), as shown on the above-said "Map of Mission Bay"; thence, along said southwesterly line, South 43°41'53" East, 60.00 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 776.70 feet, to the southeasterly prolongation of the southwesterly line of said Lot 4; thence, along said prolongation, North 43°41'53" West, 60.00 feet, to the **Point of Beginning**.

Containing 46,602 Sq. Ft., more or less.


Park NP2

Beginning at the most westerly corner of Block 8708, Lot 4, as said Block and Lot are shown on that certain map entitled "FINAL MAP - Planned Development Mission Bay (N3-N3A)", recorded on March 15, 2001, in Book Z, of Maps, at Pages 175-178, in the Office of the Recorder of the City and County of San Francisco, State of California; thence, along the southwesterly line of said Lot 4, South 43°41'53" East, 241.50 feet, to the northwesterly line of Channel Street (200.00' wide), as shown on the above-said "Map of Mission Bay"; thence, along said northwesterly line, South 46°18'07" West, 180.00 feet, to the southeasterly prolongation of the northeasterly line of Block 8707, Lot 5, as said Block and Lot are shown on that certain map entitled "FINAL MAP – Planned Development Mission Bay (N4A)", recorded on December 7, 2004, in Book AA, of Maps, at Pages 179-183; thence, along said prolongation, North 43°41'53" West, 241.50 feet, to northwesterly line of Street Vacation SV-28, as said Street was vacated by Ordinance 328-98, and recorded in

Book H429, Image 505, Official Records, in the Office of the Recorder of said City and County; thence, along said northwesterly line, North 46°18'07" East, 131.25 feet, to the northwesterly line of Street Vacation SV-26, as said Street was vacated by said Ordinance 328-98; thence, along said northwesterly line, North 46°18'07" East, 48.75 feet, to the **Point of Beginning**.

Containing 43,470 Sq. Ft., more or less.

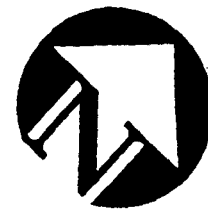
Description approved by:


Bruce Storrs, L.S. 6914

My License Expires September 30, 2007
City and County Surveyor, San Francisco



FOURTH STREET (82.50')



GRAPHIC SCALE

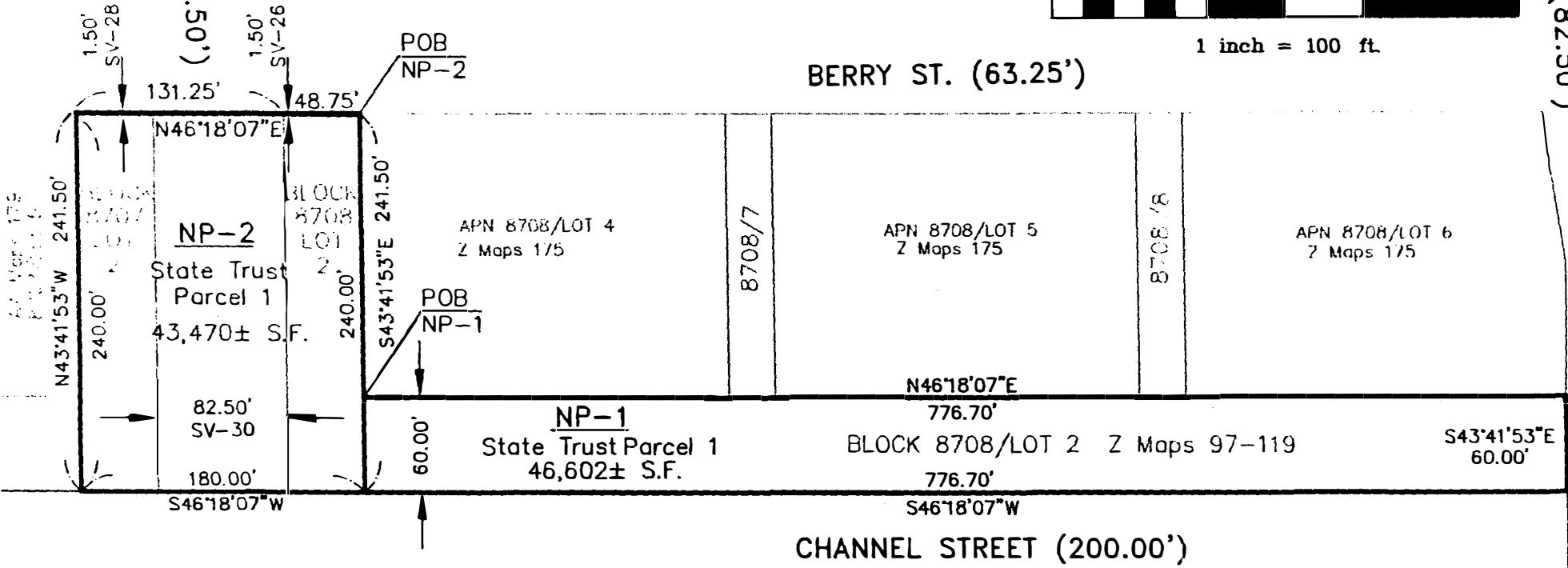


1 inch = 100 ft.

FIFTH STREET (82.50')

BERRY ST. (63.25')

CHANNEL STREET (200.00')



LEGEND

- Park Boundary
- Lot Line
- POB Point of Beginning
- SV-28 Street Vacation-H429 Image 505

date: 04/06/06	MBTF Mission Bay Task Force 30 Van Ness Ave. Room 4200 San Francisco, Ca 94102	Mission Bay Project San Francisco, California Exhibit Plat to Accompany Legal Description	sheet 1 of sheet 1
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Exhibit "B-2.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Combined Sewer Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer system.

Legal Description

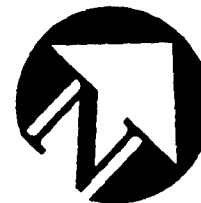
All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California

A strip of land 20 feet in width, lying 10 feet (measured at right angles) on each side of the centerline of the City and County of San Francisco Combined Box Sewer Facility and the 12-inch VCP Sewer, encased in concrete, as they now exists. Said easements are shown in their approximate location on the attached plat map "B-2.1" to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')



APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

241.50'

7' X 9' SEWER ON PILES

12" VCP SEWER ENCASED IN CONCRETE

NP-2

181.50'

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

8708/3

APN 8708/LOT 6
Z Maps 175

776.70'

BLOCK 8708/LOT 2

Z Maps 97

NP-1

180.00'

776.70'

CHANNEL STREET

Legend

SV-30

Park Boundary

Street Vacation-H429 Image 505

Lot Line

date: 04/06/06

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
Exhibit "B-2.1"
Plat to Accompany
Legal Description

sheet 1

of

sheet 1

Combined Sewer Electrical Easements - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" a non-exclusive right to held by the City and County of San Francisco Public Utilities Commission and its permitted grantees, licensees, employees and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of an existing facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a combined sewer electrical system.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999 in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of each electrical facility, each of which will be required for access and maintenance of combined sewer electrical facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map "B-2.2" to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')



APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

241.50'

181.50'

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

APN 8708/LOT 5
Z Maps 175

APN 8708/LOT 6
Z Maps 175

8708/7

8708/8

776.70'

BLOCK 8708/LOT 2 Z Maps 97

NP-1

Sewer
Electrical

180.00'

776.70'

CHANNEL STREET

Legend

- Park Boundary
- SV-30 Street Vacation-H429 Image 505
- Lot Line

<p>te: 04/06/06</p> <p>MBTF Mission Bay Task Force</p> <p>30 Van Ness Ave. Room 4200 San Francisco, Ca 94102</p>	<p>Mission Bay Project San Francisco, California Exhibit "B-2.2" Plat to Accompany Legal Description</p>	<p>sheet 1 of sheet 1</p>
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MUNI Duct Bank Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Metropolitan Transit Authority, MTA, and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future MUNI duct bank facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of a light rail and bus transportation systems.

Legal Description

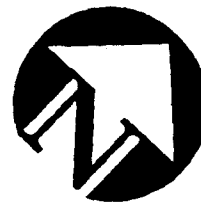
All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Two areas, each 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the MUNI Duct Bank Facility as it now exists, as generally shown on the improvement plans prepared by MTA, entitled "Third Street Light Rail Transit Mission Creek and Islais Creek Duct Banks" "contract MR #1148" and approved by the Director of Transportation, MTA, on April 5, 2001, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.3 to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')



APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

241.50'

NP-2

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

776.70'

8708/8

MUNI UTILITY
DUCT BANKS

APN 8708/LOT 6
Z Maps 175

BLOCK 8708/LOT 2

Z Maps 97

NP-1

Muni duct bank
Easements

180.00'

776.70'

CHANNEL STREET

Legend



Park Boundary

SV-30

Street Vacation-H429 Image 505

Lot Line

Date: 04/06/06

MBTF
Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

by: ttc

Mission Bay Project
San Francisco, California
Exhibit "B-2.3"
Plat to Accompany
Legal Description

sheet 1
of
sheet 1

Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

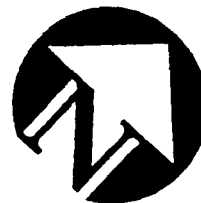
All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline and 7.5 feet southerly of the storm drain facilities, which will be required for access and maintenance of City storm drain facility extending onto the property and centered around said facilities as it now exist, or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easement is shown in its approximate location on the attached plat map B-2.4 to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')

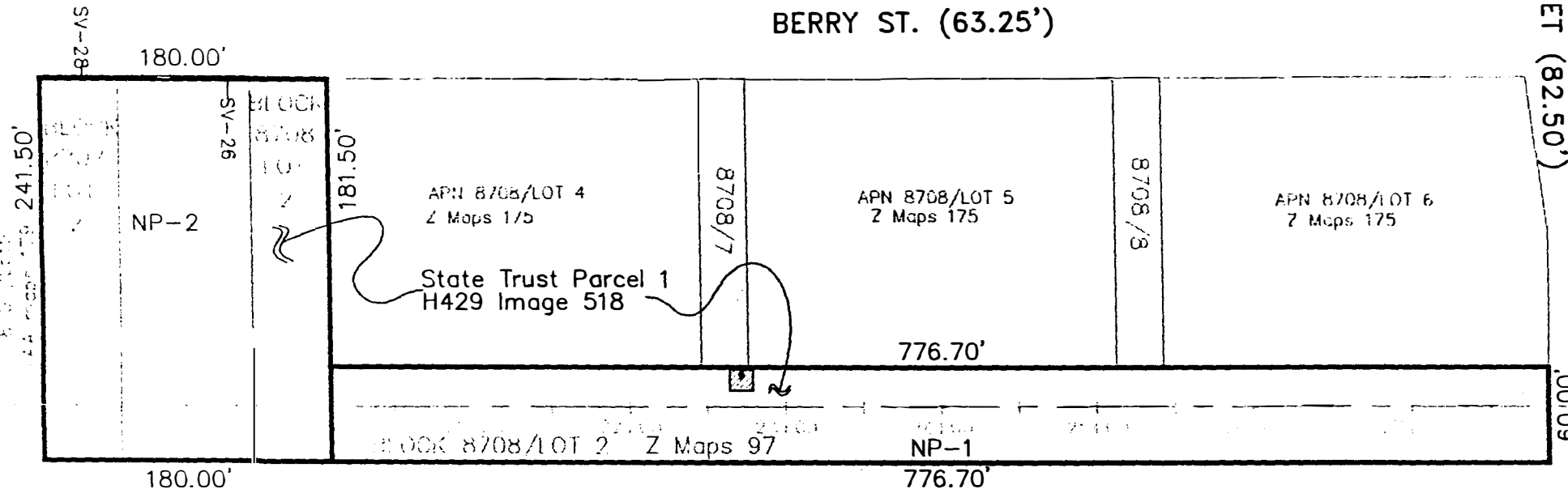


APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

00'09"



Legend

- Park Boundary
- SV-30 Street Vacation—H429 Image 505
- Lot Line

ite: 04/06/06	MBTF Mission Bay Task Force 30 Van Ness Ave. Room 4200 San Francisco, Ca 94102	Mission Bay Project San Francisco, California Exhibit "B-2.4" Plat to Accompany Legal Description	sheet 1 of sheet 1
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Water line Easement - The City and County of San Francisco reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of water lines, fire hydrants and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of water lines and fire hydrants.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled "Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

Multiple areas, 15 feet in width, lying 7.50 feet (measured at right angles) on each side of the centerline of the water lines, each of which will be required for access and maintenance of City water line and fire hydrant facilities extending throughout the property at various locations for different distances and centered around said facilities as they exist or may exist in the future, and as generally shown on the improvement plans prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director. Said easements are shown in their approximate locations on the attached plat map B-2.5 to be used for reference only.

FIFTH STREET (82.50')

FOURTH STREET (82.50')



APN 8705/LOT 6
Z Maps 175

APN 8705/LOT 7
Z Maps 175

BERRY ST. (63.25')

180.00'

180.00' 241.50'

NP-2

BLOCK
5/08
LOT
2

181.50'

APN 8708/LOT 4
Z Maps 175

State Trust Parcel 1
H429 Image 518

8708/7

APN 8708/LOT 5
Z Maps 175

8708/8

APN 8708/LOT 6
Z Maps 175

776.70'

EX. 12" LPW

NEW FH
LOCATION

NEW FH
LOCATION

NP-1

NEW FH
LOCATION

BLOCK 8705/LOT 2 Z Maps 97

180.00'

NEW FH WITH
SUCTION INLET
(STA: 20+75 +/-)

RELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADE

RELOCATE EX. FH
TO 1' OFFSET
FROM EDGE OF
NEW ESPLANADE

RELOCATE
EX. FH TO
1' OFFSET
FROM EDGE
OF NEW
ESPLANADE

776.70'

Legend

SV-30

Park Boundary

Street Vacation-H429 Image 505

Lot Line

CHANNEL STREET

te: 04/06/06

MBTF

Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

ttc

Mission Bay Project
San Francisco, California
Exhibit "B-2.5"
Plot to Accompany
Legal Description

sheet 1
of
sheet 1

Emergency Vehicle Access Easement - The City and County of San Francisco (the ("City")) reserve from the SFRA Ground Leased Parcel "B-2" the non-exclusive right over a minimum twenty foot (20') wide area within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress. The City further reserves third party beneficiary rights for enforcement of said Emergency Vehicle Access Easement.

Legal Description

All that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows:

Being a portion of State Trust Parcel 1, as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518, Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California. State Trust Parcel 1 being also shown on that certain map entitled " Map of Mission Bay", recorded on July 19, 1999, in Book Z, of Maps, at Pages 97-119, in the Office of the Recorder of the City and County of San Francisco, State of California.

A stripe of land, 20 feet in width within that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for emergency vehicular access, ingress and egress, and as generally shown on the improvement plans (drawing L3.0) prepared for Catellus Development Corporation (as Permittee) by Freyer & Laureta-Civil Engineers, entitled "Mission Creek Park, NP1-NP2 Bank Stabilization & Mitigation, Trail Plan", dated May 09, 2003, approved by the Director, San Francisco Department of Public Works, on August 04, 2003, permit number 03IE-580, and as may be further amended and approved from time to time by or on behalf of the Director.

As to each of the reservations set forth in this Exhibit B-2.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall state (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

Description approved:

By: Bruce Storrs
Bruce Storrs, L.S. 6914
My License Expires ~~September 30, 2007~~
City and County Surveyor, San Francisco



EXHIBIT "B-3"

(P17 PARK)

EXHIBIT "B-3"
(P17 PARK)

All that certain real property situate in the City and County of San Francisco, State of California, more particularly described as follows:


Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

All street lines and Assessor's Blocks/Lots herein mentioned are in accordance with that certain map entitled "Final Map-Planned Development Mission Bay (9-9A and 10-10A)", recorded on May 31, 2005, in Book BB, of Maps, at pages 6-10, in the Office of the Recorder of the City and County of San Francisco, State of California.

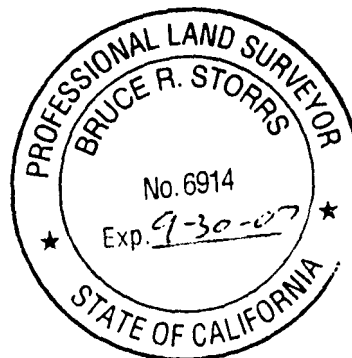
Commencing at the southeasterly corner of Block 8720/Lot 17, as shown on said Final Map; thence, along the easterly extension of the southerly line of said Lot 17, North 86°49'04" East, 98.32 feet; thence, South 03°10'56" East, 35.25 feet, to the **TRUE POINT OF BEGINNING** of this description, said point also being the beginning of a non-tangent curve concaved to the west, from which the radius point of said non-tangent curve bears, South 73°45'40" West, 940.33 feet; thence, along the arc of said non-tangent curve, southerly, 156.94 feet, through a central angle of 09°33'46", to the being the beginning of a non-tangent curve concaved to the north, from which the radius point of said non-tangent curve bears, North 22°42'17" West, 19.50 feet; thence, along the arc of said non-tangent curve, westerly, 7.33 feet, through a central angle of 21°31'42"; thence South 86°49'04" West, 304.46 feet, to the being the beginning of a tangent curve concaved northeasterly, from which the radius point of said tangent curve bears, North 03°10'56" West, 14.50 feet; thence, along the arc of said tangent curve, westerly and northerly, 22.78 feet, through a central angle of 90°00'00"; thence, North 03°10'56" West, 101.25 feet, to the beginning of a tangent curve concaved southeasterly, from which the radius point of said tangent curve bears, North 86°49'04" East, 14.50 feet; thence, along the arc of said tangent curve, northerly and easterly, 22.78 feet, through a central angle of 90°00'00"; thence, North 86°49'04" East, 291.02 feet to the **TRUE POINT OF BEGINNING**.

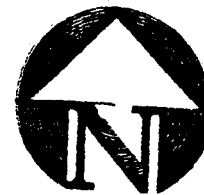
Containing 0.947 Acres, more or less.

Description approved by:


Bruce Storrs, L.S. 6914

My License Expires September 30, 2007



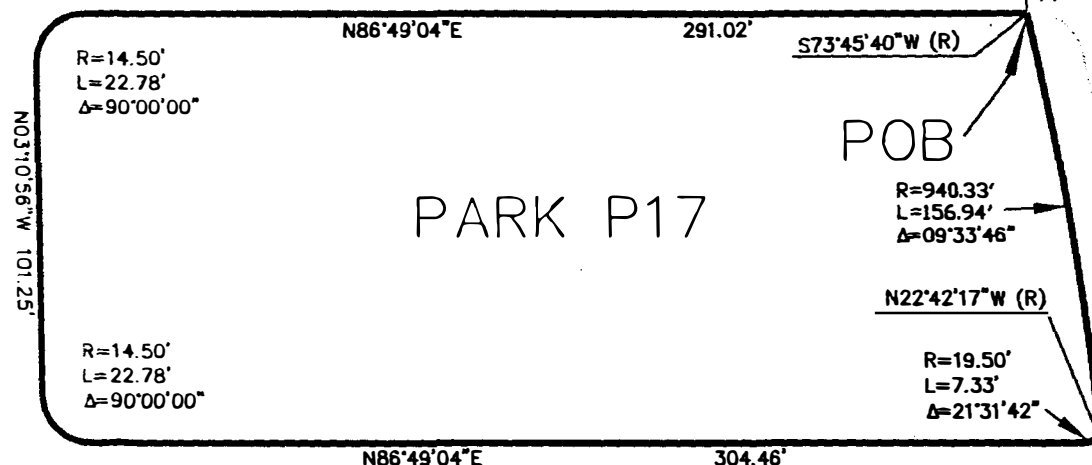


SCALE: 1"=60'

APN 8720/17 POC Park P18
(Block 9A)

N86°49'04"E 98.32'

Mission Bay Blvd. North (35.25')



POB

R=940.33'
L=156.94'
Δ=09°33'46"

N22°42'17"W (R)

R=19.50'
L=7.33'
Δ=21°31'42"

N86°49'04"E

304.46'

Mission Bay Blvd. South (35.25')

TERRY FRANCIOS BLVD.

LEGEND

— Park Boundary

— Lot Line

POC

POB

Park Boundary

Lot Line

Point of Commencement

Point of Beginning

te: 04/12/06

MBTF

Mission Bay Task Force
30 Van Ness Ave.
Room 4200
San Francisco, Ca 94102

ttc

Mission Bay Project
San Francisco, California
Park P17

Exhibit to Accompany Legal Description

sheet 1

of

sheet 1

Exhibit "B-3.1"

Excepting therefrom the following reservations, the terms and uses of which are individually described as follows:

Legal Description

Storm Drain Easement - The City and County of San Francisco reserves from the SFRA Ground Leased Parcel "B-3" a temporary, non-exclusive right to be held by the City and County of San Francisco Public Utilities Commission and its permittees, grantees, licensees, employees, and contractors, in, upon, over and under that portion of the SFRA Ground Leased Parcel described herein, to the extent necessary for access, construction, operation, repair, removal and maintenance of future storm drain sewer facilities and appurtenances such as pipes, conduits, cables, wires, poles, and other convenient structures, equipment and fixtures for the operation of storm drain sewer systems.

Legal Description

All that real property situated in the City and County of San Francisco, State of California, described as follows:

Being a portion of State Trust Parcel 5 as described in that certain Patent from the State of California to the City of San Francisco, as Trustee, recorded on July 19, 1999 at Reel H429, Image 518 of Official Records, in the Office of the Recorder of the City and County of San Francisco, State of California.

A strip of land, 15 feet in width, lying 7.5 feet (measured at right angles) on each side of the centerline of the existing storm drain facilities, which will be required for temporary access and maintenance of City storm drain facilities and centered around the storm drain facilities as it now exists or may exist in the future. Said easement is shown in its approximate location on the attached plat map B-3.1 to be used for reference only.

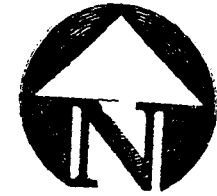
As to the reservation set forth in this Exhibit B-3.1, City shall give the Agency written notice five (5) business days prior to any entrance by City or any of City's officers, agents, employees, contractors (including all sub-tier contractors), and consultants upon any of the easement areas for the purposes set forth herein; provided, however, in the event of an emergency, no prior notice shall be required but City shall provide notice retroactively within forty-eight (48) hours of any such entry. The written notice shall State (i) the purpose of such entry, (ii) the date, time and estimated duration of such entry, and (iii) a detailed description of the type of activities City will undertake during such entry. If, after receiving such written notice, the Agency determines that City's entrance upon any portion of the easement areas involves any excavation within such easement areas or otherwise will cause a significant disruption of the use of the Premises for the purposes intended by this Ground Lease, all as reasonably determined by the Agency, the Agency may require City to modify the timing of City's entry or to undertake other measures (including without limitation, the restoration or repair of any portion of the easement areas damaged by City's entry thereon) to ensure the safety of and the public's use of the Premises and to mitigate other adverse effects upon the easement areas and the Premises.

The above Legal Description and Plat Map are approved.

By: Bruce Storrs
Bruce Storrs, L.S. 6914

My License Expires September 30, 2007
City and County Surveyor, San Francisco





SCALE: 1"=60'

APN 8720/17
(Block 9A)

Park P18

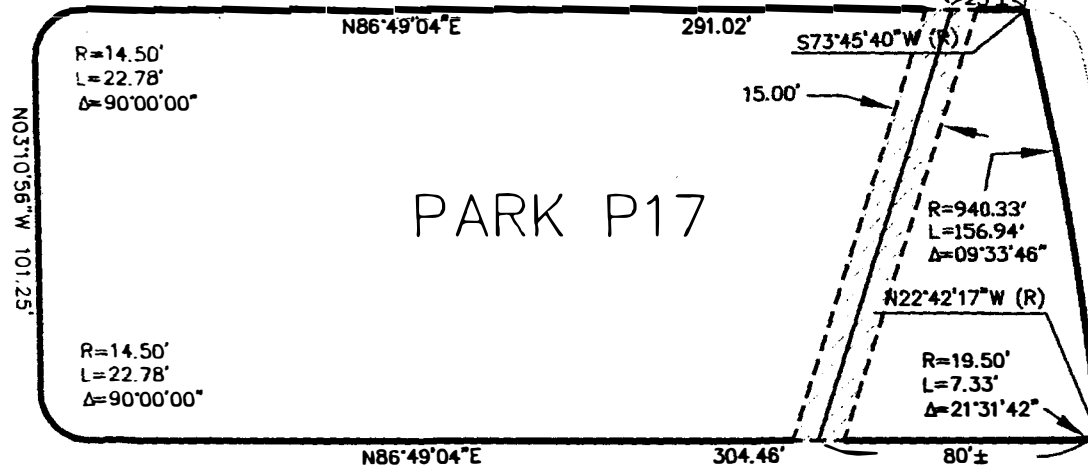
POC

N86°49'04"E 98.32'

Mission Bay Blvd. North (35.25')

POB

S03°10'56"E
35.25'



Mission Bay Blvd. South (35.25')

TERRY A. FRANCIOS BLVD.

APN 8721/10
(Block 26a)

LEGEND



Park Boundary

Lot Line

POC

POB

Point of Commencement

Point of Beginning

Date: 6/21/06

MBTF

Mission Bay Task Force

30 Van Ness Ave.

Room 4200

San Francisco, Ca 94102

Mission Bay Project
San Francisco, California
EXHIBIT "B-3.1"
Plat to Accompany Legal Description

sheet 1

of

sheet 1

**SECOND AMENDMENT TO
GROUND LEASE**

**BY AND BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO**

**AND
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

Mission Bay

**SECOND AMENDMENT TO
AGENCY GROUND LEASE**

(Adding Park P21 and Amending Maintenance Obligations)

THIS SECOND AMENDMENT TO AGENCY GROUND LEASE ("Amendment"), dated for reference purposes only as of May 1, 2009, by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("City"), and with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the "Port"), the City acting by and through the Port, as landlord, and the **REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, a public body corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), as tenant, is made with reference to the following facts:

RECITALS

A. The City and the Agency entered into that certain Agency Ground Lease, dated as of November 16, 2001 (the "Original Ground Lease"), as amended by that certain First Amendment to Ground Lease, dated as of June 29, 2006 (the "First Amendment"), pursuant to which the City agreed to lease to the Agency and the Agency agreed to lease from the City certain premises (the "Premises") referred to as the Open Space Development Parcels (as defined in the Original Ground Lease) on terms and conditions set forth therein. The Original Ground Lease, as amended by the First Amendment, is referred to herein as the "Ground Lease." Capitalized terms not otherwise defined herein shall have the meanings given in the Ground Lease.

B. The Ground Lease is one of several agreements implementing the improvement of open space, parks, and plazas as contemplated by the Redevelopment Plan for the Mission Bay North Redevelopment Project ("Mission Bay North"), approved by the City on October 26, 1998, by Ordinance No. 327-98, and the Redevelopment Plan for the Mission Bay South Redevelopment Project ("Mission Bay South"), approved by the City on November 2, 1998, by Ordinance No. 335-98 (each a "Redevelopment Plan" and collectively, the "Redevelopment Plans").

C. The Recitals to the Ground Lease describe certain of the other agreements implementing the improvement of open space, parks, and plazas as contemplated by the Redevelopment Plans, including the agreements defined therein as the "Catellus Lease", the "North OPA, and the "South OPA". Pursuant to the Catellus Lease, the City leases portions of the Premises and other lands to Catellus and its permitted transferees (collectively "Owner"). Among other matters, the Catellus Lease requires Owner to perform certain improvements to portions of the Premises on a phased basis, and provides that at such time as the Owner is prepared to construct public open space, parks or plazas on a portion of the Premises, the Owner will surrender the applicable portion of the Premises to the City, the Catellus Lease will be terminated with respect to such portion of the Premises, and Owner will be granted a permit to enter and perform the required work. The North OPA and the South OPA, among other matters,

set forth phasing principles that govern Owner's obligations to construct infrastructure, including open space, parks, and plazas.

D. The Ground Lease is designed to become effective over increments of the Premises in phases, as the Catellus Lease is terminated from time to time with respect to such increments. The Ground Lease anticipates that the term of the Ground Lease will commence with respect to each phase of the Premises on the date that the City and the Agency initial and date a written legal description of the affected portion of the Premises and attach such description to the Ground Lease as part of Exhibit B to the Ground Lease (the "Exhibit B Attachment Process"). However, the City and the Agency have determined that the Ground Lease can be administered more effectively for certain parcels, such as P21 as covered by this Amendment, by adding descriptions of the affected portions of the Premises by means of amendments to the Ground Lease, and both parties presently desire to amend the Ground Lease to provide for such process. In addition, this Amendment is necessary as it clarifies certain maintenance obligations. However, the City and Agency may continue to use the Exhibit B Attachment Process for those parcels not requiring an amendment to add specific terms to the Ground Lease prior to including such parcels in Exhibit B to the Ground Lease.

E. The term of the Ground Lease has commenced with respect to those portions of the Premises known as the P1 Park (a legal description of which was attached to the Original Ground Lease) and Parks NP1, NP2 and P17 (legal descriptions of which were added to Exhibit B of the Ground Lease pursuant to the terms of the First Amendment). The City and the Agency have since determined that, notwithstanding the legal descriptions of Parks P1, NP1 and NP2 attached to the Ground Lease, the allocation of maintenance, repair and indemnity obligations between the City and the Agency would be simpler and would be easier to administer if, with respect to the portions of the Premises and adjacent City property on which rip rap has been installed, the boundaries of the parks would conform more closely to the lines marked by the rip rap. City is presently preparing exhibits reflecting the revised boundaries for Agency's review and approval. Upon approval of the revised exhibits, City and Agency anticipate amending the Ground Lease to substitute the revised exhibits for Exhibit B-1 (describing that portion of the Premises known as Park P1) and Exhibit B-2 (describing that portion of the Premises known as NP1 and NP2).

F. Owner has met the conditions in the South OPA for the development of the area in Mission Bay South referred to as Park "P21" in the South OPA and certain other documents (the "Proposed Park P21"). For the reasons described below, the City and the Agency desire to add only a portion of Proposed Park P21 to the Premises under the Ground Lease.

G. A portion of Proposed Park P21 has been improved with a boat trailer parking lot (the "Parking Lot") to be used in connection with a nearby boat launch which is under the Port's jurisdiction. Section 10.1 of the Ground Lease, regarding Maintenance and Repair Obligations, provides that the Agency shall maintain the Premises and all improvements in good condition and repair, subject to the terms and conditions set forth in Section 10.1 of the Ground Lease, however pursuant to San Francisco Bay Conservation and Development Commission Permit No. 7-96 (issued on January 22, 1997, as amended through February 11, 2004), and Section B.1.i. of the Mission Bay South Infrastructure Plan, the Port is obligated to maintain the Parking Lot. Because the Parking Lot was constructed by the Port and will be maintained by the Port,

rather than the Agency, the City and the Agency have determined that the Parking Lot on Proposed Park P21 should not be leased to the Agency under the Ground Lease, and that, for the purposes of the Ground Lease, "Park P21" will be comprised of only those portions of the Proposed Park P21 which will be maintained by the Agency. The areas comprising Park P21 for the purposes of the Ground Lease are depicted as "Park P21- Area 1" and "Park P21 – Area 2" on Exhibit B-4-1 attached to this Amendment, and to be attached to the Ground Lease as provided herein. Notwithstanding the fact that the Parking Lot will not be added to the Ground Lease, the Parking Lot shall be considered open space under the Mission Bay South Redevelopment Plan.

H. On or about May 2008, the Port, the Agency and the City's Department of Public Works ("DPW") reached agreement on the allocation of certain maintenance responsibilities with respect to portions of the Premises and adjacent land and improvements, as follows: (i) the Port agrees to maintain the seawall for Park P21 and the rip rap, if any, on Parks P1, P2, P3, P8, NP1-NP5, P21 and P22 in the same condition as on the respective effective dates of the Ground Lease for such parcels for the term of the Ground Lease for each such parcel; and (ii) the City, acting through DPW, agrees to maintain the sidewalk on or adjacent to the Parking Lot that is adjacent to the public street (including the trees or other plantings on such sidewalk); (iii) notwithstanding DPW's maintenance obligations included in Section (ii) above, the Agency agrees to maintain the sidewalks and trees on sidewalks on or adjacent to parks P15-22, as shown on Exhibit A, during the term of the Ground Lease for each such parcel. Section 10.1 of the Ground Lease, regarding Maintenance and Repair Obligations, must be revised to document certain aspects of this allocation of responsibility. Neither the Ground Lease, nor any other existing agreement between or among the parties, requires the Port to provide funding for or management or maintenance services for the neighborhood linking pedestrian bridge that may be constructed over the Mission Creek; Port staff and the Port Commission may exercise their discretion to not issue a building permit and lease/license or other project approvals for the pedestrian bridge until such time as the Agency or City secures a funding source outside of the Port to manage and maintain the bridge.

I. Furthermore, the City and the Agency agree that the proposed additional park area to the east of the right of way of Terry A. Francois Boulevard (outside of the boundaries of Park P22) to top of bank, as shown on Exhibit A, will ultimately be maintained with funds from the Mission Bay South CFD Maintenance District, consistent with the Infrastructure Plan. The City and the Agency believe that the maintenance obligations for this park area outside the boundaries of Park P22 may be most easily administered by adding such park to the Premises under the Ground Lease. However, because the Port and the Agency have not reached final agreement about the required enhancements and improvements to be made to such park, the Ground Lease is not presently being amended to provide for the future inclusion of such park area in the leased Premises.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Agency hereby agree to amend the Ground Lease as follows:

1. Manner of Adding Premises to Ground Lease. Notwithstanding the provisions of Sections 2, 2.1 and 2.2 of the Ground Lease to the contrary, the parties agree that in addition to

the mechanism provided in the Ground Lease, portions of the Premises may be added to the Ground Lease from time to time by attaching legal descriptions of such portions of the Premises to the Ground Lease by means of lease amendment.

2. Acknowledgement Regarding Boat Trailer Parking Lot and Revised Park P21 Area. The City and the Agency acknowledge Park P21, as added to the Premises pursuant to Section 3 of this Amendment, does not include the entire area in Mission Bay South referred to as Park "P21" in the South OPA and certain other Plan Documents, but excludes the area improved with the boat trailer parking lot, driveways, and the sidewalk adjacent to the public street right of way.

3. Addition of Descriptions of Park P21. Exhibit B of the Ground Lease is hereby amended to add and incorporate the legal description shown on Exhibit B-4 attached to this Amendment, which sets forth the legal description and plat depictions of Park P21 in Mission Bay South.

4. Modification of Maintenance and Repair Obligations. The Ground Lease is hereby amended to add and incorporate Exhibit B-4, which is attached to this Amendment as Exhibit B, and to amend and restate Section 10.1 of the Ground Lease as follows:

"10.1 Maintenance and Repair Obligations.

a. Generally. Upon completion of construction of the Improvements on the applicable portions of the Premises and acceptance by City pursuant to the Plan Documents (the "Agency's Maintenance Commencement Date"), Agency shall maintain, at no cost or expense to City, in good order, repair and condition, the applicable portions of the Premises and all improvements thereon, consistent with the requirements of the applicable Mission Bay North or South Financing Plans, except where Owner fails to pay the special taxes levied in the maintenance Community Facilities Districts (collectively, "Maintenance CFDs" and individually, a "Maintenance CFD") to be formed pursuant to the applicable Mission Bay North or South Financing Plans despite the Agency's diligent efforts to collect the same.

b. Sidewalks. The Agency acknowledges that the Agency's maintenance and repair obligations under Section 10.a. above include the obligation to maintain sidewalks on or adjacent to the Premises in accordance with the provisions of San Francisco Public Works Code Section 706, or any successor ordinance concerning sidewalk maintenance, provided that the initial installation of sidewalks, curbs and related improvements shall be made by Owner in accordance with the Plan Documents.

c. Seawall and Rip Rap Maintenance. Notwithstanding the foregoing provisions of this Section 10.1 to the contrary, City agrees that the Port shall maintain any seawalls and the rip rap located on Parks P1, P2, P3, P8, NP1-NP5, P21 and P22 in the same condition as on the Agency's Maintenance Commencement Date, commencing on such date and continuing for the term of the Ground Lease for each such parcel.

d. Special Provisions Regarding Maintenance of Parking Lot and Park P21. The Port, at the Port's cost, shall maintain and repair the boat trailer

parking lot shown on sheet B-4-1 of Exhibit B-4 of this Ground Lease, (the "Parking Lot"), the Parking Lot entrance(s), and any curbs around the Parking Lot. The City, acting through the City's Department of Public Works, at the City's cost, shall maintain and repair the sidewalk, curb and related improvements (including trees and plantings) adjacent to public street that is adjacent to the Parking Lot. Except as provided in Section 10.c. and the foregoing provisions of this Section 10.d., the Agency shall maintain and repair Park P21 and all improvements thereon, including, without limitation, any ground or plantings between the pathway and the rip rap, and any walkway or sidewalk on Park P21.

e. Acknowledgement Regarding Description of Premises. The parties acknowledge that the respective areas that the Port and the Agency are required to maintain hereunder do not precisely correspond to boundaries of the Premises shown on Exhibit B to this Ground Lease.

5. Recitals. The Recitals to this Amendment are true and correct.

6. Ground Lease in Full Force and Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Ground Lease shall remain unchanged and in full force and effect.

[No further text this page.]

IN WITNESS WHEREOF, city and Agency execute this Amendment at San Francisco, California, as of the date set forth above.

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By 

GAVIN NEWSOM
Mayor

By 

AMY L. BROWN
Director of Property

APPROVED AS TO FORM FOR CITY:

DENNIS J. HERRERA,
City Attorney

By 

Deputy City Attorney

AGENCY:

REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF
SAN FRANCISCO, a public body,
corporate and politic

By 

AMY LEE
Deputy Executive Director
Finance and Administration

APPROVED AS TO FORM FOR AGENCY:

By 

JAMES B. MORALES
Agency General Counsel

SAN FRANCISCO PORT COMMISSION

By 

MONIQUE MOYER
Executive Director

APPROVED AS TO FORM FOR PORT:

DENNIS J. HERRERA,
City Attorney

By 

Deputy City Attorney

CONSENT

The undersigned, on behalf of Owner, in executing this Amendment for the sole purpose of approving the form of this Lease, as contemplated by the CLTA, the PLTA, and the Master Lease; provided, however, that nothing continued herein shall be deemed to impose any additional obligations or liabilities upon Owner under the Amendment other than as is already set forth in the Plan Documents and the Land Transfer Agreements, hereby consents to the foregoing Amendment.

FOCIL-MB, LLC, a Delaware limited liability company

By: Farallon Capital Management, L.L.C.,
its Manager


By: 
Name: Richard B. Fried
Its: Managing Member

EXHIBIT A
(Attached)
Park Locations and Maintenance Responsibilities

Exhibit A - Park Locations and Maintenance Responsibilities

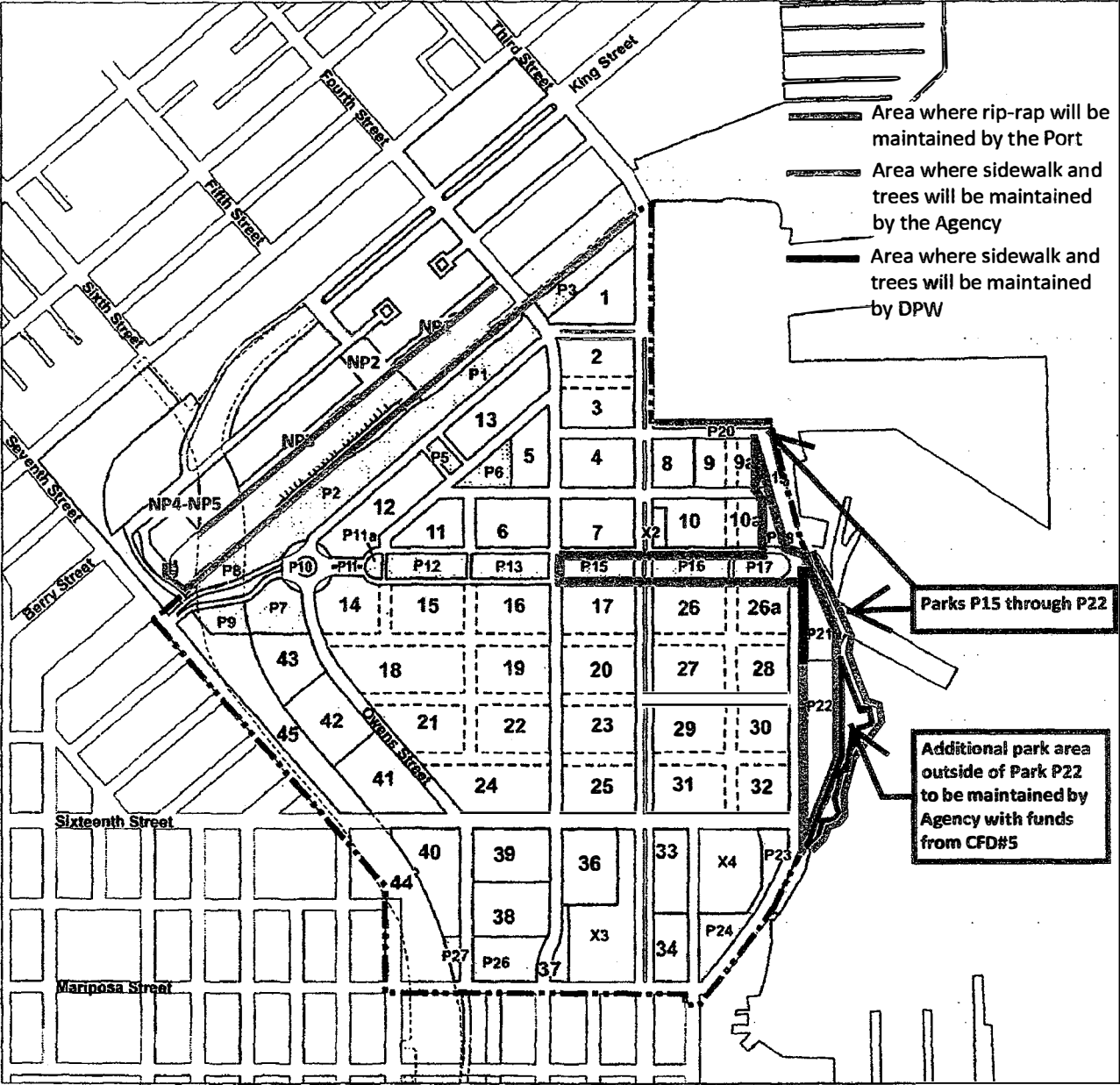


EXHIBIT B

(Attached)

Description and Depiction of Park P21
(Exhibit B-4 to Ground Lease)

EXHIBIT B-4

DESCRIPTION OF PROPERTY MISSION BAY PARK P21

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 5 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 in Reel H429, Image 518, Official Records of the City and County of San Francisco, and being more particularly described as follows:

AREA 1:

COMMENCING at the Northwest corner of Lot 14 as shown on that certain Parcel Map filed for record in Book 44 of Parcel Maps, at Pages 151 through 155, inclusive, City and County of San Francisco Records; thence along Easterly Right-of-Way line of Terry Francois Boulevard for the following two (2) courses and distances:

1. North 03°10'56" West a distance of 663.15 feet; and
2. North 17°50'32" West a distance of 62.91 feet to a point of curvature on the Easterly line of said Trust Parcel 5;

Thence along said Easterly line of Trust Parcel 5 for the following two (2) arcs, courses and distances:

1. from a radial line which bears South 72°09'28" West, 37.12 feet along the arc of a non-tangent 236.29 foot radius curve to the left through a central angle of 09°00'04"; and
2. South 26°50'36" East a distance of 101.34 to the True Point of Beginning;

Thence from said **TRUE POINT OF BEGINNING**, leaving said Easterly line of Trust Parcel 5, South 63°09'24" West a distance of 4.00 feet to the Easterly corner of an access ramp as shown on those certain Improvement Plans for Mission Bay Park 21 prepared by RBF consulting, dated May 17, 2002; thence along said access ramp for the following three (3) courses and distances:

1. South 18°09'24" West a distance of 8.49 feet;
2. South 63°09'24" West a distance of 4.00 feet; and
3. North 60°32'00" West a distance of 7.21 feet to a point of curvature;

Thence along the Portland Cement Concrete (P.C.C.) curb as shown on said Improvement Plans for the following two (2) arcs, courses and distances:

1. from a radial line which bears North 20°58'36" West, 10.05 feet along the arc of a non-tangent 10.00 foot radius curve to the left through a central angle of 57°35'21"; and
2. South 19°40'04" East a distance of 54.93 feet to an access ramp as shown on said Improvement Plans;

Thence along said access ramp for the following three (3) courses and distances:

1. South 79°40'04" East a distance of 10.00 feet;
2. South 03°41'57" East a distance of 10.00 feet; and
3. South 80°18'55" West a distance of 6.00 feet to a point on said P.C.C. curb;

Thence along said P.C.C. curb for the following three (3) courses and distances:

1. South 25°25'16" East a distance of 36.55 feet;
2. South 31°13'45" East a distance of 43.19 feet;
3. South 35°30'56" East a distance of 51.35 feet to an access ramp as shown on said Improvement Plans;

Thence along said access ramp for the following three (3) courses and distances:

1. South 86°21'59" East a distance of 8.05 feet;
2. South 32°31'29" East a distance of 3.50 feet; and
3. South 21°19'02" West a distance of 8.05 feet to a point on said P.C.C. curb;

Thence along said P.C.C. curb for the following two (2) arcs, courses and distances:

1. South 32°31'29" East a distance of 40.46 feet to a point of curvature;
2. from a radial line which bears North 63°47'22" East, 14.90 feet along the arc of a non-tangent 15.00 foot radius curve to the left through a central angle of 56°54'45";

Thence along said access ramp for the following three (3) courses and distances:

1. North 17°36'28" East a distance of 5.13 feet;
2. North 63°09'24" East a distance of 4.00 feet;
3. South 61°51'54" East a distance of 7.55 feet;

Thence along said P.C.C. curb North 63°09'24" East a distance of 1.40 feet to the Easterly line of said Trust Parcel 5; thence along said Easterly line of Trust Parcel 5, North 26°50'36" West a distance of 270.45 feet to the True Point of Beginning.

Area 1 contains 7,711 square feet of land, more or less.

AREA 2:

COMMENCING at the Northwest corner of Lot 14 as shown on that certain Parcel Map filed for record in Book 44 of Parcel Maps, at Pages 151 through 155, inclusive, City and County of San Francisco Records; thence along Easterly Right-of-Way line of Terry Francois Boulevard, North 03°10'56" West a distance of 48.02 feet to the Southwest corner of the Pier 52/54 Paring Lot; thence along the South Line of said Pier 52/54 Paring Lot, North 86°49'04" East a distance of

157.60 feet to the True Point of Beginning; thence from said **TRUE POINT OF BEGINNING**, leaving said South Line of the Pier 52/54 Paring Lot along a Portland Cement Concrete (P.C.C.) curb as shown on those certain Improvement Plans for Mission Bay Park 21 prepared by RBF consulting, dated May 17, 2002, North 02°19'42" West a distance of 228.39 feet to an access ramp as shown on said Improvement Plans; thence along said access ramp for the following three (3) courses and distances:

1. North 83°24'21" East a distance of 7.16 feet;
2. North 27°05'45" East a distance of 4.00 feet; and
3. North 17°54'15" West a distance of 8.49 feet;

thence North 67°11'36" East a distance of 2.22 feet to a point on the Easterly line of said trust Parcel 5; thence along the prolongation of aforementioned line, North 67°11'36" East a distance of 3.00 feet to the back of the seawall as shown on said Improvement Plans; thence along the back of said seawall for the following five (5) courses and distances:

1. South 15°10'04" East a distance of 29.05 feet to a point on said Easterly line of Park P21;
2. Entering said Trust Parcel 5, South 15°10'04" East a distance of 70.73 feet to a point on said Easterly line Trust Parcel 5;
3. Leaving said Trust Parcel 5, South 15°10'04" East a distance of 25.17 feet;
4. South 02°09'54" East a distance of 50.49 feet to a point on said Easterly line of Trust Parcel 5;
5. Leaving said Easterly line of Trust Parcel 5, South 20°49'22" East a distance of 72.93 feet to the intersection of said seawall with prolongation of the South Line of said Pier 52/54 Paring Lot;

Thence along said Prolongation of the South Line of Pier 52/54 Paring Lot, South 86°49'04" West a distance of 23.14 feet to the Southeast corner of said Pier 52/54 Paring Lot; thence along the South Line of said Pier 52/54 Paring Lot, South 86°49'04" West a distance of 39.35 feet to the True Point of Beginning.

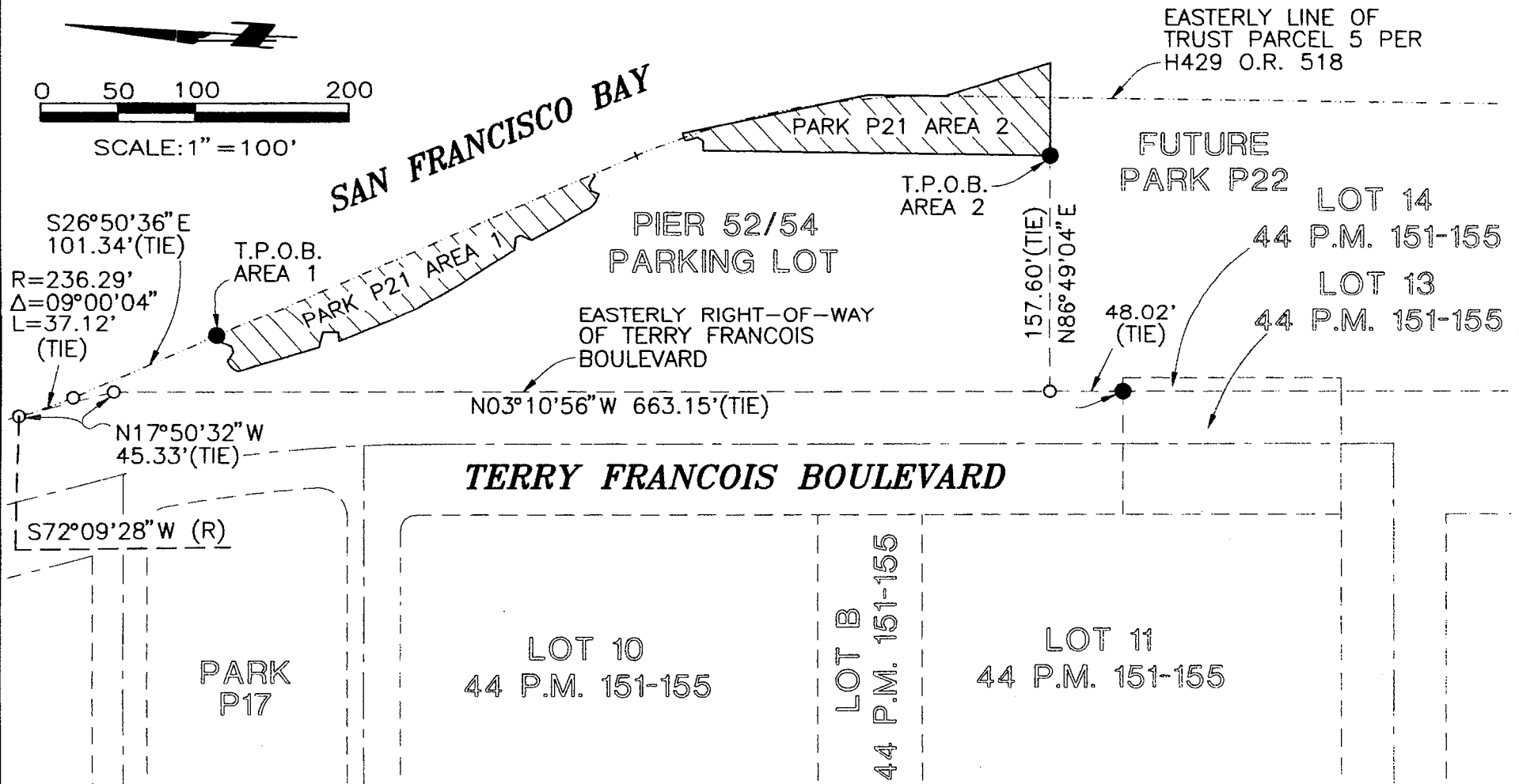
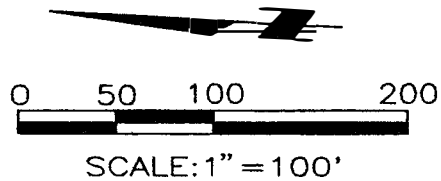
Area 2 contains 8,549 square feet of land, more or less.

See Exhibit B-4-1, plat to accompany description, attached hereto and made a part of this description.

The Basis of Bearing for this description is the same as the basis of bearing shown on that certain Parcel Map filed for record in Book 44 of Parcel Maps, at Pages 151 through 155, inclusive, City and County of San Francisco Records.

LEGEND:

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING



DATE: 7/16/08

BY : PJ

EXHIBIT "B-4-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY PARK P21
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 1
OF
3 SHEET

LINE TABLE

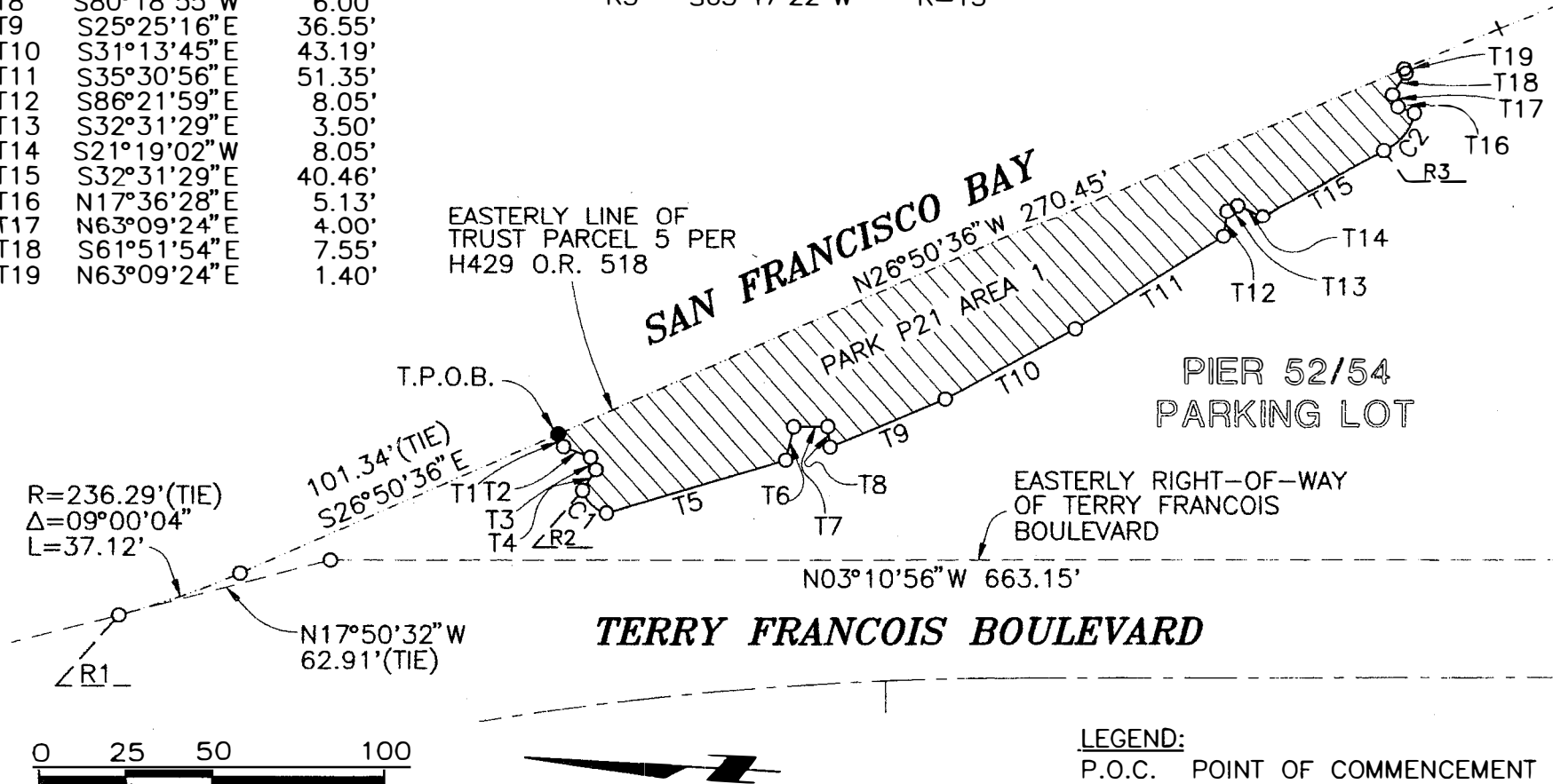
T1	S63°09'24"W	4.00'
T2	S18°09'24"W	8.49'
T3	S63°09'24"W	4.00'
T4	N60°32'00"W	7.21'
T5	S19°40'04"E	54.93'
T6	S79°40'04"E	10.00'
T7	S03°41'57"E	10.00'
T8	S80°18'55"W	6.00'
T9	S25°25'16"E	36.55'
T10	S31°13'45"E	43.19'
T11	S35°30'56"E	51.35'
T12	S86°21'59"E	8.05'
T13	S32°31'29"E	3.50'
T14	S21°19'02"W	8.05'
T15	S32°31'29"E	40.46'
T16	N17°36'28"E	5.13'
T17	N63°09'24"E	4.00'
T18	S61°51'54"E	7.55'
T19	N63°09'24"E	1.40'

CURVE TABLE

C1	R=10'	$\Delta=57^{\circ}35'21''$	L=10.05'
C2	R=15'	$\Delta=56^{\circ}54'45''$	L=14.90'

RADIAL BEARING TABLE

R1	S72°09'28"W	R=236.29'
R2	N20°58'36"W	R=10'
R3	S63°47'22"W	R=15'



LEGEND:

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING

DATE: 7/16/08

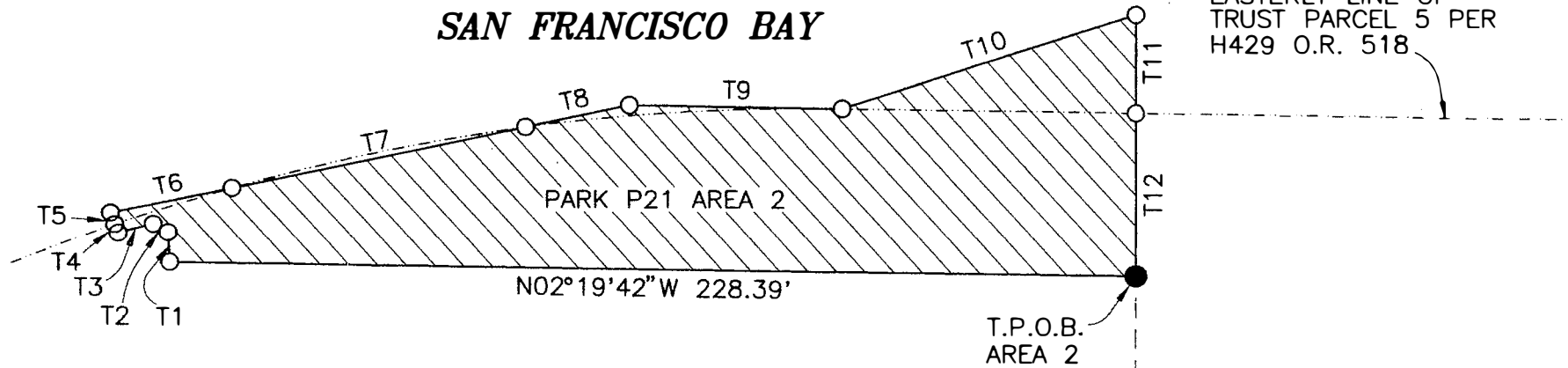
BY: PJ

EXHIBIT "B-4-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY PARK P21
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 2
OF
3 SHEETS

SAN FRANCISCO BAY



PIER 52/54
PARKING LOT

LEGEND:

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING

LINE TABLE

T1	N83°24'21"E	7.16'
T2	N27°05'45"E	4.00'
T3	N17°54'15"W	8.49'
T4	N67°11'36"E	2.22'
T5	N67°11'36"E	3.00'
T6	S15°10'04"E	29.05'
T7	S15°10'04"E	70.73'
T8	S15°10'04"E	25.17'
T9	S02°09'54"E	50.49'
T10	S20°49'22"E	72.93'
T11	S86°49'04"W	23.14'
T12	S86°49'04"W	39.35'

FUTURE
PARK P22

SOUTH LINE OF
PIER 52/54
PARKING LOT

LOT 14
44 P.M. 151-155

P.O.C.

48.02'(TIE)

N03°10'56"W

EASTERLY RIGHT-OF-WAY OF
TERRY FRANCOIS BOULEVARD

TERRY FRANCOIS BOULEVARD



SCALE: 1" = 40'

DATE: 7/16/08

BY: PJ

EXHIBIT "B-4-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY PARK P21
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 3
OF
3 SHEETS

EXHIBIT “B-5”
(NP3, NP4 and NP5 Parks)

(See attached map depicting the Lease Area)

LEGEND



Lease Area



PROPOSED MISSION BAY BLOCK LINE



EXISTING PROPERTY LINE



STREET VACATION LINE



SCALE

1" = 160'

Lease Area Effective Date:

January 6, 2009

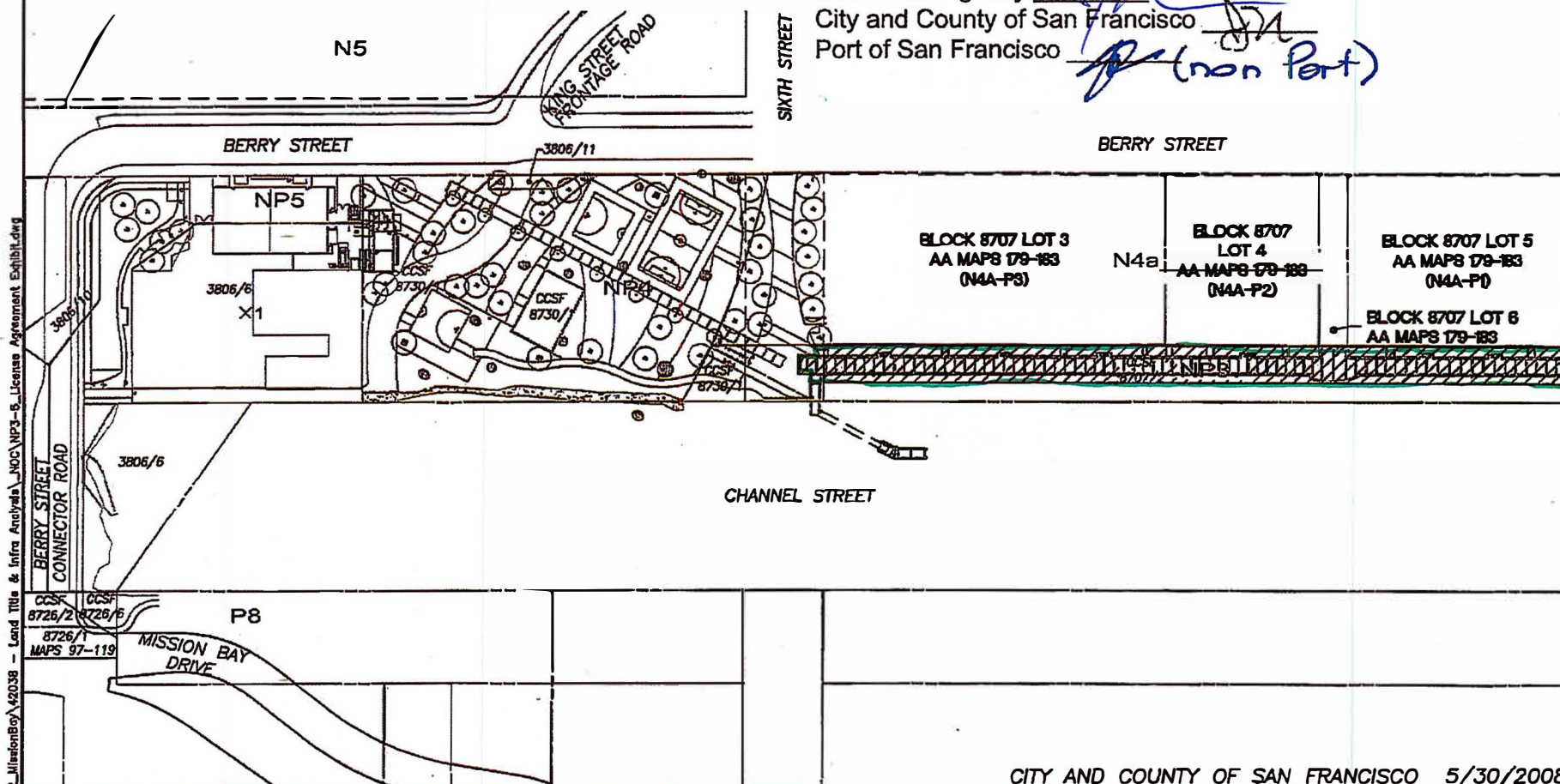
per San Francisco Board of Supervisors' Ordinance #10-09

Successor Agency

City and County of San Francisco

Port of San Francisco

(non Port)



CITY AND COUNTY OF SAN FRANCISCO 5/30/2008



Freyer & Laureta, Inc.





civil engineers • surveyors • construction managers



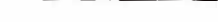
144 North San Mateo Drive • San Mateo, CA 94401
 (650)344-3901 • Fax (650)344-3920 • www.freyerlaureta.com

LEASE AREA

MISSION CREEK PARK PARCEL NP3

LEGEND

-  A. NP4 - Lease Area
-  B. NP4 - Kayak Building Lease Area
-  C. NP5 - Lease Area
-  D. NP5 - Maintenance Building Lease Area

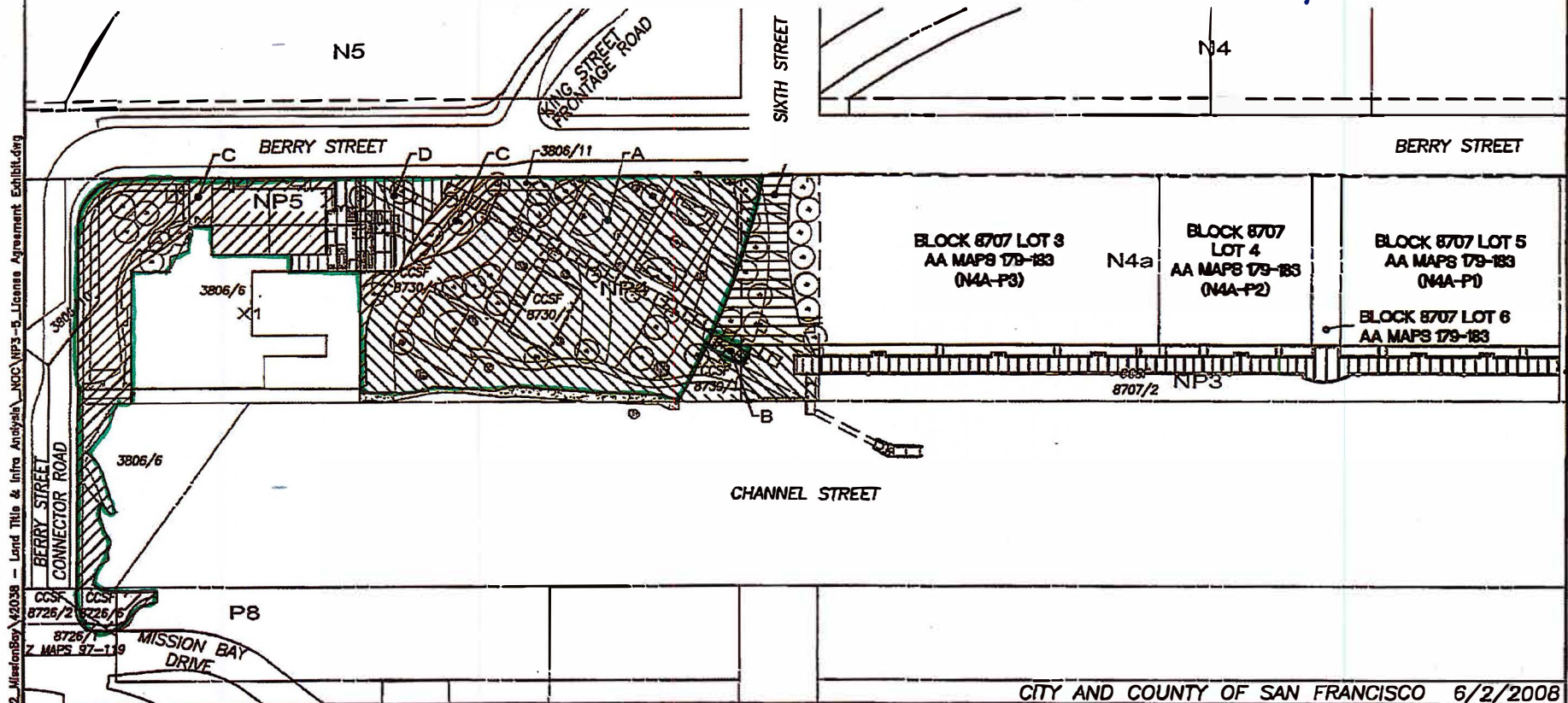
-  PROPOSED MISSION BAY BLOCK LINE
-  EXISTING PROPERTY LINE
-  STREET VACATION LINE



SCALE
1" = 160'

Lease Area Effective Date:
January 6, 2009
per San Francisco Board of Supervisors' Ordinance #10-09

Successor Agency 
City and County of San Francisco 
Port of San Francisco  (C&A port)



CITY AND COUNTY OF SAN FRANCISCO 6/2/2008

F&L Freyer & Laureta, Inc.
civil engineers - surveyors - construction managers
144 North San Mateo Drive • San Mateo, CA 94401
(650) 344-9901 • Fax (650) 344-9920 • www.freyerlaureta.com

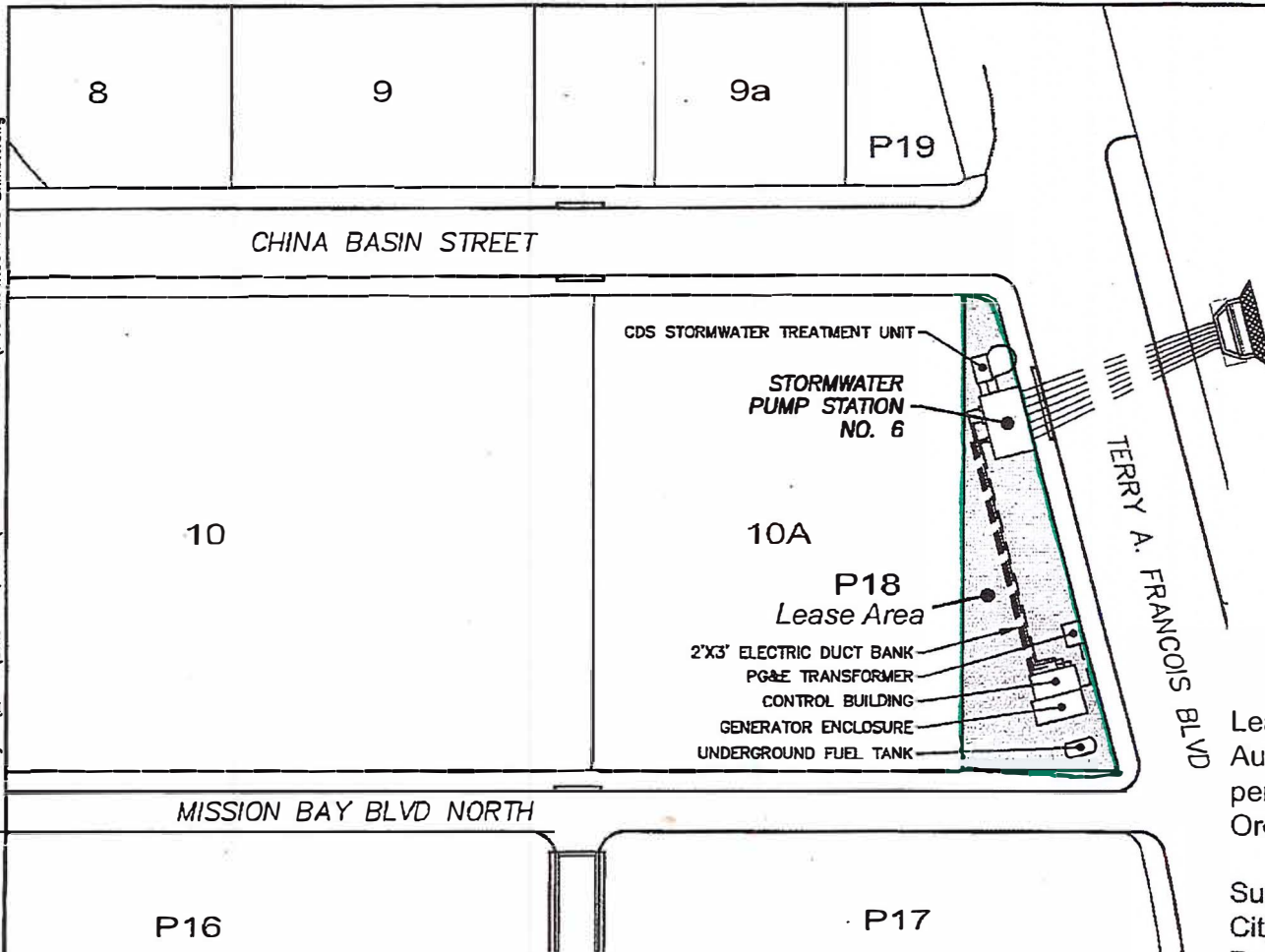
LEASE AREA
MISSION CREEK PARK PARCELS NP4 & NP5

Z:\ACAD_SERVER\042_MissionBay\42038 - Land Title & Infrastructure\NOC\NP3-B License Agreement Exhibit.dwg

EXHIBIT “B-6”
(P18 Park)

(See attached map depicting the Lease Area)

Z:\Project_Files_server\16\042_Mission Bay\042038_Land Title & Infra Analysis\SOC\Bike P17, P18\Licensee Area Exhibits\p18 Licensee Area Exhibit.dwg



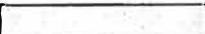


SCALE
1" = 100'

Lease Area Effective Date:
August 3, 2010
per San Francisco Board of Supervisors'
Ordinance #222-10

Successor Agency
City & County of San Francisco
Port of San Francisco

CITY AND COUNTY
OF SAN FRANCISCO
7/8/2009

LEGEND:

-  Lease Area
-  PROPOSED MISSION BAY BLOCK LINE
-  PROPOSED MISSION BAY BLOCK NUMBER

NOTES:

SURFACE IMPROVEMENTS FOR P18 SHOWN HERE
ARE PER IMPROVEMENT PLANS ENTITLED "BLOCKS
9/9A & 10/10A PUBLIC IMPROVEMENTS" DATED
3/18/2005.

F&L Freyer & Laureta, Inc.
civil engineers • surveyors • construction managers
144 North San Mateo Drive • San Mateo, CA 94401
(650)344-9901 • Fax (650)344-9920 • www.freyerlaureta.com

MISSION BAY BLOCK P18
LEASE AREA

EXHIBIT “B-7”
(P16 Park)

(See attached map depicting the Lease Area)

Z:\Project_Files_server\16\042_Mission Bay\04203B_Land Title & Info Analysis\SOC\Blk P16-P18\P16 License Agreement Exhibit.dwg

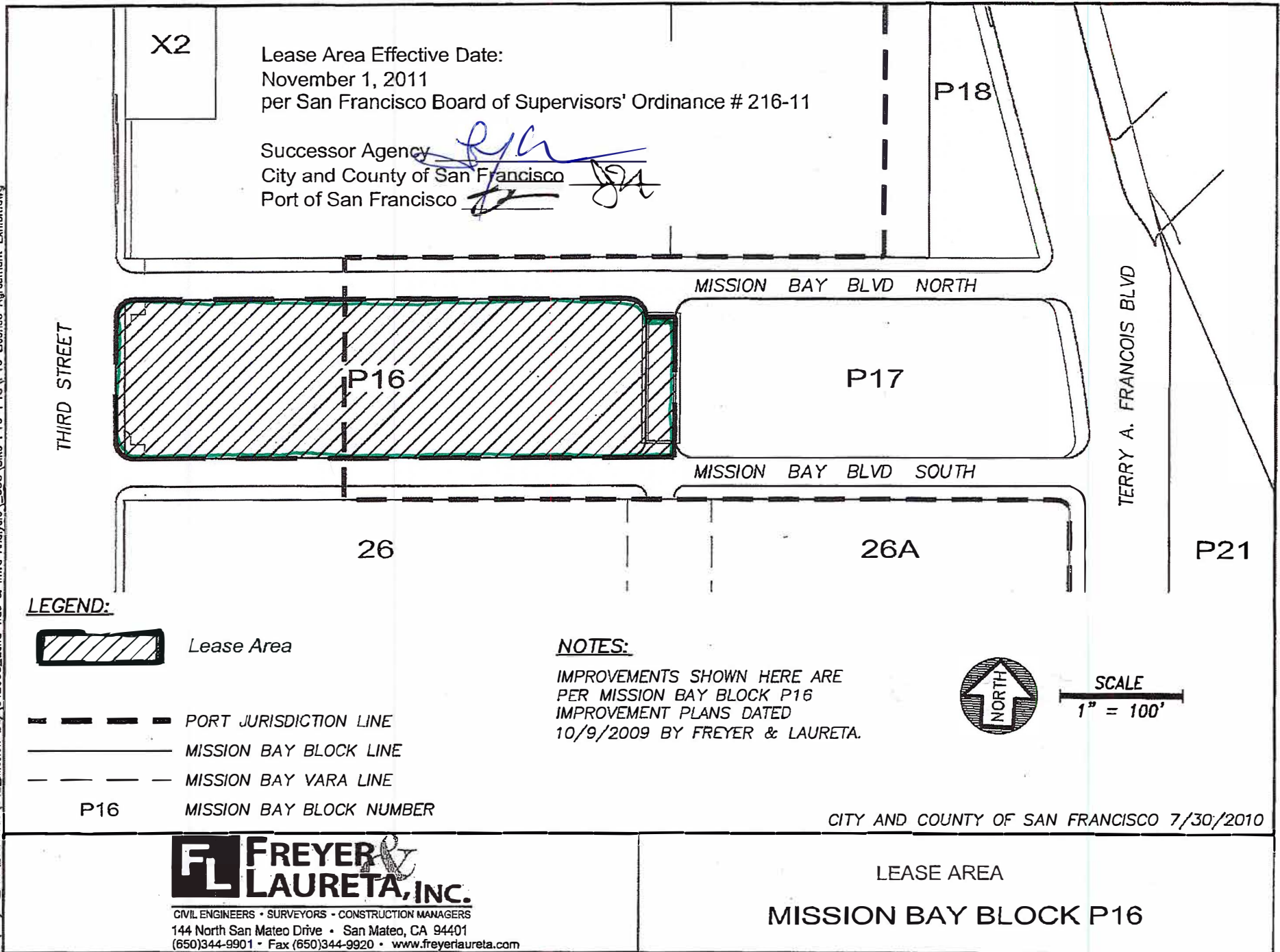





EXHIBIT “B-8”
(P10 Park)

(See attached map depicting the Lease Area)

LEGEND:

-  EXISTING PROPERTY LINE
-  LEASE AREA LINE
-  PROPOSED STREET LINE



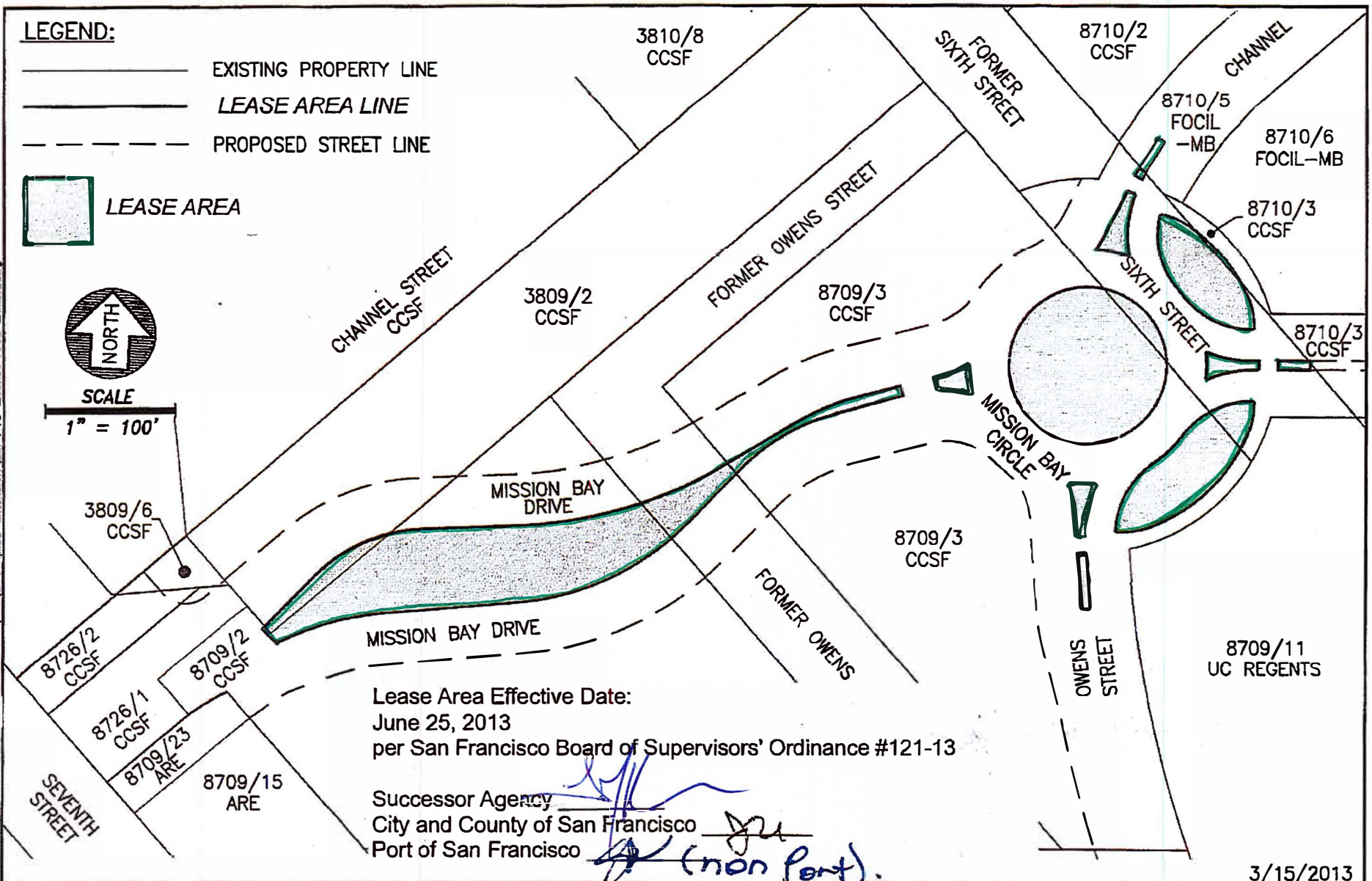
LEASE AREA



SCALE

1" = 100'

Z:\ACAD_SERVER\042_MissionBay\42038 - Land Title & Infra Analysis\SOC\MBD Extension\Bk P10 License Area Exhibit.dwg



Lease Area Effective Date:
June 25, 2013
per San Francisco Board of Supervisors' Ordinance #121-13

Successor Agency
City and County of San Francisco
Port of San Francisco

(non port)

3/15/2013

FL FREYER & LAURETA, INC.

CIVIL ENGINEERS • SURVEYORS • CONSTRUCTION MANAGERS
144 North San Mateo Drive • San Mateo, CA 94401
(650)344-9901 • Fax (650)344-9920 • freyerlaureta.com

LEASE AREA

MISSION BAY PARK P10

CITY AND COUNTY OF SAN FRANCISCO

**MEMORANDUM SUMMARIZING PREMISES SUBJECT TO
AGENCY GROUND LEASE AND CONFIRMING EFFECTIVE DATE OF LEASE FOR
PARK P6**

RECITALS

A. The City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the "**Port**"), the City and County of San Francisco, acting by and through the Port (collectively, "**City**"), as landlord, and the Redevelopment Agency of the City and County of San Francisco (the "**Former Agency**"), as tenant, entered into that certain ground lease, dated as of November 16, 2001 (as amended, the "**Ground Lease**"), pursuant to which the City agreed to lease to the Former Agency and the Former Agency agreed to lease from the City the Open Space Development Parcels (referred to herein as the "**Premises**") on terms and conditions set forth therein. Unless otherwise defined herein, all initially capitalized terms shall have the meaning set forth in the Ground Lease.

B. Under the Mission Bay North and Mission Bay South Owner Participation Agreements (between the Former Agency and Owner thereunder, (the "**OPAs**")), Owner is required to construct improvements on the Open Development Space Parcels owned by the City. The Former Agency is required to add Open Space Development Parcels to the Premises in the manner described in Recital C, below, and thereafter to maintain them using funds generated from a community facilities district (the "**Maintenance CFD**"). Under the Maintenance CFD formation documents, the Successor Agency administers the Maintenance CFD until fiscal year 2043-44. The Ground Lease terminates in 2045.

C. Open Space Development Parcels are added to the Premises subject to the Ground Lease incrementally, as improvements upon such parcel or parcels are completed and the preceding leasehold interest over same (under the Catellus Lease as defined in Recital E of the Ground Lease) is terminated. With respect to each addition to the Premises, the term of the Ground Lease commences on the date that the City and the Former Agency initial and date a written legal description of said portion of the Premises and attach such description to the Ground Lease as part of Exhibit B thereof, or, alternatively, portions of the Premises may be added to the Ground Lease from time to time by attaching legal descriptions of such portions of the Premises to the Ground Lease by means of lease amendment.

D. The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California, commonly known as the Office of Community Investment and Infrastructure (the "**Successor Agency**") became the successor to the Former Agency when the Former Agency was dissolved on February 1, 2012 under the Redevelopment Dissolution Law, California Health and Safety Code Sections 34170 *et seq.* The Successor Agency assumed the rights and obligations of the Former Agency's enforceable obligations, including the OPAs, which the California Department of Finance ("**DOF**") finally and conclusively determined to be obligations that survived the dissolution of the Former Agency.

E. Under Redevelopment Dissolution Law, the Successor Agency was required to prepare, and obtain DOF's approval of, a Long-Range Property Management Plan ("PMP") to dispose of its interests in real property. On December 7, 2015, DOF approved the Successor Agency's PMP, which proposes the early termination (subject to Owner's consent) of the Ground Lease in phases.

F. With regard to Open Space Development Parcel P6 (herein "**Park P6**"), Owner has or will have met, as of July 1, 2016, the conditions to the Successor Agency entering into the Ground Lease with respect to **Park P6**. City and Successor Agency will add the legal description of **Park P6** to Exhibit B of the Ground Lease, effective as of July 1, 2016, and accordingly, the term of the Ground Lease will commence on July 1, 2016 with respect to **Park P6**.

G. City and Successor Agency wish to confirm and memorialize certain other prior additions to the Premises and the date on which those additions became subject to the Ground Lease, as well as memorialize the addition of the legal description of **Park P6** to Exhibit B of the Ground Lease.

PREMISES SUBJECT TO GROUND LEASE

1. The park known as **Park P1** was included in the original Ground Lease.
2. The Ground Lease was amended by that certain First Amendment to Ground Lease, dated as of June 29, 2006, pursuant to which Exhibit B-2, describing and depicting the parks known as **Park NP1** and **Park NP2**, and Exhibit B-3, describing and depicting the park known as **Park P17**, were added to the Ground Lease.
3. The Ground Lease was amended by that certain Second Amendment to Ground Lease, dated as of May 1, 2010, pursuant to which, among other matters, Exhibit B-4, describing and depicting the park known as **Park P21**, was added to the Ground Lease.
4. The City and Successor Agency acknowledge that the following Open Space Development Parcels were added to the Premises subject to the Ground Lease, and the Ground Lease became effective as to these parcels, as of the respective effective dates shown below, by means of attaching dated and initialed descriptions of such park parcels to the Ground Lease (as contemplated by Section 2.1 of the Ground Lease:

Park Parcel(s):	Effective Date:	Exhibit to Ground Lease:
NP3, NP4, NP5	January 6, 2009	Exhibit B-5
P18	August 3, 2010	Exhibit B-6
P16	November 1, 2011	Exhibit B-7
P10	June 25, 2013	Exhibit B-8

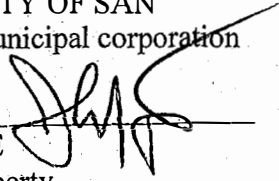
5. As contemplated by Section 2.1 of the Ground Lease, **Park P6** has been or will be added to the Premises subject to the Ground Lease effective as of July 1, 2016, by means of attaching a dated and initialed description of Park P6 to the Ground Lease in the form attached hereto as "Exhibit B-9" and "Exhibit B-9-1".

6. This Memorandum shall not act to amend or modify the Ground Lease.

CONFIRMED:

CITY:

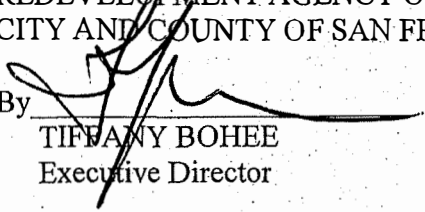
CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By 
JOHN UPDIKE
Director of Property

Dated: July 1, 2016

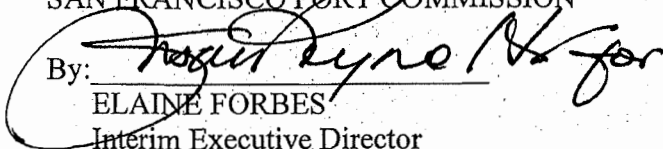
SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By 
TIFFANY BOHEE
Executive Director

Dated: June 29, 2016

SAN FRANCISCO PORT COMMISSION

By: 
ELAINE FORBES
Interim Executive Director

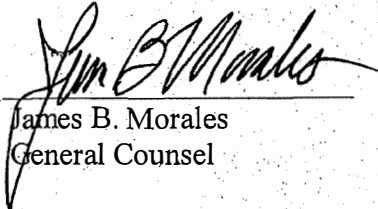
Dated: 7/5/2016, 2016

REVIEWED FOR CITY BY:

DENNIS J. HERRERA,
City Attorney

By Anita L. Wood
Anita L. Wood
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**

By 
James B. Morales
General Counsel

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney

By Rona Sandler
Rona Sandler
Deputy City Attorney

EXHIBIT B-9 and EXHIBIT B-9-1

(Description and Depiction of Park P6)

(See attached)

EXHIBIT B-9

DESCRIPTION OF PROPERTY MISSION BAY KIDS' PARK (P6)

Portion of State Trust Parcel 2 (99-G622166)

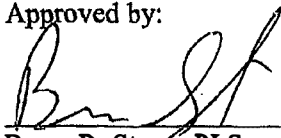
Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 2 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 in Instrument No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

BEGINNING at the Northwest corner of Block 8711, Lot 12 as shown on that certain Final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 9 through 12, inclusive, San Francisco City and County Records, being a point on the Southeast line of Block 8711, Lot 16 of said Final Map; thence along said West line of said Lot 12, South 03° 10' 56" East a distance of 288.91 feet to the Southwest corner of said Lot 12, being a point on the North Line of Block 8711, Lot 18 of said Final Map; thence along said North Line of Lot 18, South 86°49'04" West a distance of 338.09 feet to the Northwest corner of said Lot 18, being a point on the Southeast line of Block 8711, Lot 15 of said Final Map; thence along said Southeast line of Lot 15, its northeasterly prolongation and the Southeast line of said Lot 18, North 46°18'07" East a distance of 444.72 feet to the **Point of Beginning**.

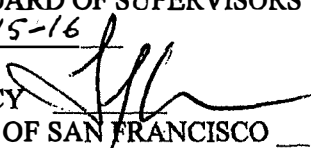
The Basis of Bearings for this Description and Plat is the Third Street Monument Line as shown on that certain Final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 9 through 12, inclusive, San Francisco City and County Records. The Bearing of said Monument Line is South 3°10'56" East.

See Exhibit B-9-1, Plat to Accompany Description, attached hereto and made a part hereof.

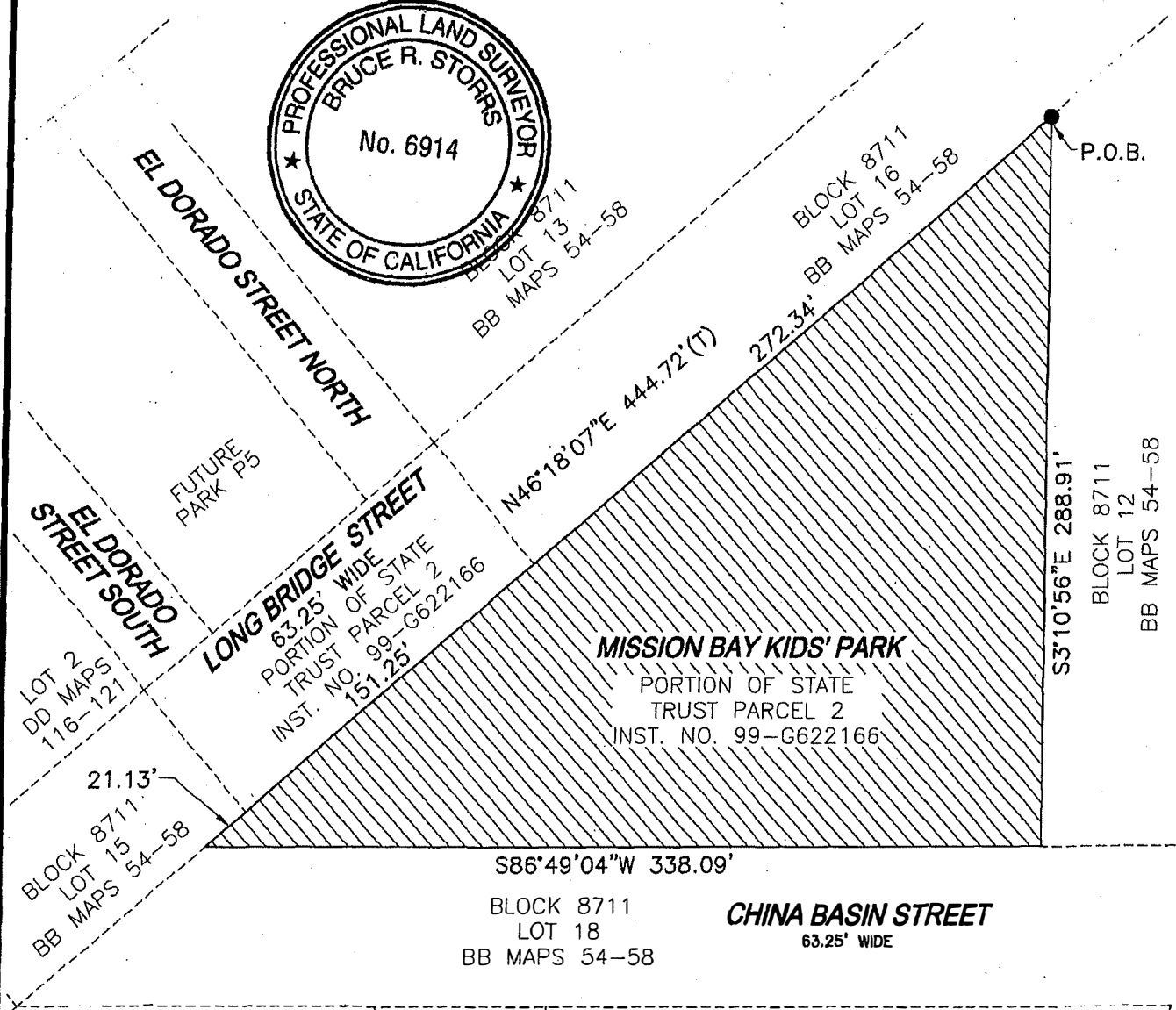
Approved by:


Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
JULY 1, 2016 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 115-16

SUCCESSOR AGENCY 
CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO



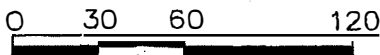


LEGEND



MISSION BAY KIDS' PARK

P.O.B. POINT OF BEGINNING



SCALE: 1"=60'

LEASE AREA EFFECTIVE:

JULY 1, 2016 PER BOARD OF SUPERVISORS' ORDINANCE NO. 115-16

SUCCESSOR AGENCY SF
CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

DATE: 6/23/16

BY: DPW-ITF

EXHIBIT "B-9-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY KIDS' PARK
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 1

OF
1 SHEET

EXHIBIT B-9 and EXHIBIT B-9-1

(Description and Depiction of Park P6)

(See attached)

EXHIBIT B-9

DESCRIPTION OF PROPERTY MISSION BAY KIDS' PARK (P6)

Portion of State Trust Parcel 2 (99-G622166)

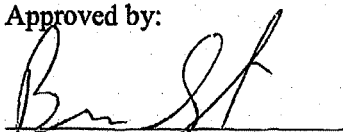
Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 2 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 in Instrument No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

BEGINNING at the Northwest corner of Block 8711, Lot 12 as shown on that certain Final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 9 through 12, inclusive, San Francisco City and County Records, being a point on the Southeast line of Block 8711, Lot 16 of said Final Map; thence along said West line of said Lot 12, South 03° 10' 56" East a distance of 288.91 feet to the Southwest corner of said Lot 12, being a point on the North Line of Block 8711, Lot 18 of said Final Map; thence along said North Line of Lot 18, South 86°49'04" West a distance of 338.09 feet to the Northwest corner of said Lot 18, being a point on the Southeast line of Block 8711, Lot 15 of said Final Map; thence along said Southeast line of Lot 15, its northeasterly prolongation and the Southeast line of said Lot 18, North 46°18'07" East a distance of 444.72 feet to the **Point of Beginning**.

The Basis of Bearings for this Description and Plat is the Third Street Monument Line as shown on that certain Final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 9 through 12, inclusive, San Francisco City and County Records. The Bearing of said Monument Line is South 3°10'56" East.

See Exhibit B-9-1, Plat to Accompany Description, attached hereto and made a part hereof.

Approved by:

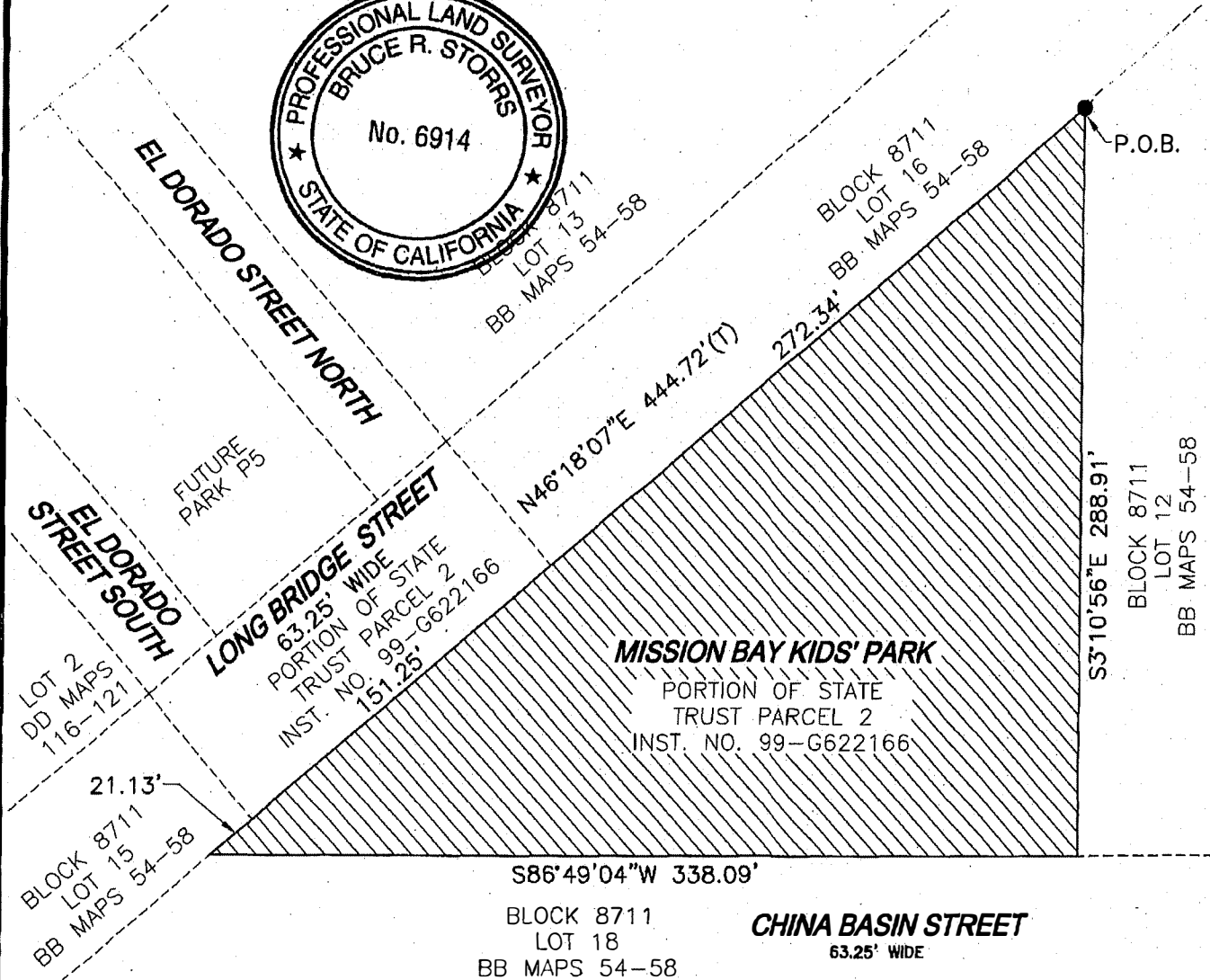


Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
JULY 1, 2016 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 115-16

SUCCESSOR AGENCY
CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO



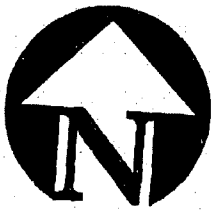


LEGEND



MISSION BAY KIDS' PARK

P.O.B. POINT OF BEGINNING



0 30 60 120

SCALE: 1"=60'

LEASE AREA EFFECTIVE:

JULY 1, 2016 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 115-16

SUCCESSOR AGENCY [Signature]
CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO [Signature]

DATE: 6/23/16

BY: DPW-ITF

EXHIBIT "B-9-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY KIDS' PARK
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 1
OF
1 SHEET

MEMORANDUM CONFIRMING EFFECTIVE DATE OF AGENCY GROUND LEASE FOR PARK P26

RECITALS

A. The City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the "**Port**"), the City and County of San Francisco, acting by and through the Port (collectively, "**City**"), as landlord, and the Redevelopment Agency of the City and County of San Francisco (the "**Former Agency**"), as tenant, entered into that certain ground lease, dated as of November 16, 2001 (as amended, the "**Ground Lease**"), pursuant to which the City agreed to lease to the Former Agency and the Former Agency agreed to lease from the City the Open Space Development Parcels (referred to herein as the "**Premises**") on terms and conditions set forth therein. Unless otherwise defined herein, all initially capitalized terms shall have the meaning set forth in the Ground Lease.

B. Under the Mission Bay North and Mission Bay South Owner Participation Agreements (between the Former Agency and Owner thereunder, (the "**OPAs**")), Owner is required to construct improvements on the Open Development Space Parcels owned by the City. The Former Agency is required to add Open Space Development Parcels to the Premises in the manner described in Recital C, below, and thereafter to maintain them using funds generated from a community facilities district (the "**Maintenance CFD**"). Under the Maintenance CFD formation documents, the Successor Agency administers the Maintenance CFD until fiscal year 2043-44. The Ground Lease terminates in 2045.

C. Open Space Development Parcels are added to the Premises subject to the Ground Lease incrementally, as improvements upon such parcel or parcels are completed and the preceding leasehold interest over same (under the Catellus Lease as defined in Recital E of the Ground Lease) is terminated. With respect to each addition to the Premises, the term of the Ground Lease commences on the date that the City and the Former Agency initial and date a written legal description of said portion of the Premises and attach such description to the Ground Lease as part of Exhibit B thereof, or, alternatively, portions of the Premises may be added to the Ground Lease from time to time by attaching legal descriptions of such portions of the Premises to the Ground Lease by means of lease amendment.

D. The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California, commonly known as the Office of Community Investment and Infrastructure (the "**Successor Agency**") became the successor to the Former Agency when the Former Agency was dissolved on February 1, 2012 under the Redevelopment Dissolution Law, California Health and Safety Code Sections 34170 *et seq.* The Successor Agency assumed the rights and obligations of the Former Agency's enforceable obligations, including the OPAs, which the California Department of Finance ("**DOF**") finally and conclusively determined to be obligations that survived the dissolution of the Former Agency.

E. Under Redevelopment Dissolution Law, the Successor Agency was required to prepare, and obtain DOF's approval of, a Long-Range Property Management Plan ("PMP") to dispose of its interests in real property. On December 7, 2015, DOF approved the Successor Agency's PMP, which proposes the early termination (subject to Owner's consent) of the Ground Lease in phases.

F. With regard to Open Space Development Parcel P26 (herein "**Park P26**"), Owner met the conditions to the Successor Agency entering into the Ground Lease with respect to **Park P26**. City and Successor Agency will add the legal description of **Park P26** to Exhibit B of the Ground Lease, effective as of August 14, 2016, and accordingly, the term of the Ground Lease will commence on August 14, 2016 with respect to **Park P26**.

PREMISES SUBJECT TO GROUND LEASE

1. As contemplated by Section 2.1 of the Ground Lease, **Park P26** has been or will be added to the Premises subject to the Ground Lease effective as of August 14, 2016, by means of attaching a dated and initialed description of Park P26 to the Ground Lease in the form attached hereto as "Exhibit B-10" and "Exhibit B-10-1".

2. This Memorandum shall not act to amend or modify the Ground Lease.

CONFIRMED:

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By 
JOHN UPDIKE
Director of Property

Dated: 8/16, 2016


SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By 
TIFFANY BOHEE
Executive Director

Dated: _____, 2016


SAN FRANCISCO PORT COMMISSION

By: 
ELAINE FORBES
Interim Executive Director

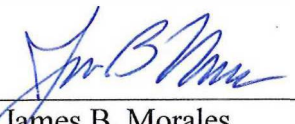
Dated: 8/16, 2016

REVIEWED FOR CITY BY:

DENNIS J. HERRERA,
City Attorney

By 
Anita L. Wood
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**

By 
James B. Morales
General Counsel

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney


By 
Rona Sandler
Deputy City Attorney

EXHIBIT B-10 and EXHIBIT B-10-1

(Description and Depiction of Park P26)

(See attached)

EXHIBIT B-10

DESCRIPTION OF PROPERTY MISSION BAY MARIPOSA PARK (P26)

Portion of State Trust Parcel 8 (99-G622166)

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 8 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

COMMENCING at the Northwest corner of said Trust Parcel 8, thence along the Northerly line of said Trust Parcel 8, North 86°49'04" East a distance of 22.49 feet to the **TRUE POINT OF BEGINNING**; thence continuing along said Northerly line North 86°49'04" East a distance of 383.84 feet to a point on the Westerly line of Future Fourth Street, variable width; thence along said Westerly line of Future Fourth Street for the following six (6) courses:

1. South 27°38'00" East a distance of 8.64 feet to the beginning of a curve;
2. From a radial bearing that bears South 72°01'45" East, along the arc of a non-tangent 300.00 foot radius curve to the right, having a central angle of 4°38'19" and a distance of 24.29 feet;
3. South 22°36'34" West a distance of 31.97 feet to the beginning of a curve;
4. along the arc of a tangent 325.00 foot radius curve to the left, having a central angle of 25°47'30" and distance of 146.30;
5. South 3°10'56" East a distance of 21.69 feet to the beginning of a curve; and
6. along the arc of a tangent 10.00 foot radius curve to the right, having a central angle of 90°00'00" a distance of 15.71 feet to a point on the North line of widened Mariposa Street;

Thence along said North Line of widened Mariposa Street for the following four (4) courses:

1. South 86°49'04" West a distance of 113.79 feet;
2. North 87°28'18" West a distance of 76.38 feet;
3. South 86°49'04" West a distance of 141.15 feet to the beginning of a curve; and
4. along the arc of the tangent 11.00 foot radius curve to the right having a central angle of 90°00'00" and a distance of 17.28 feet to a point on the Easterly line of future Owens Street;

Thence along said Westerly line of future Owens Street for the following five (5) courses:

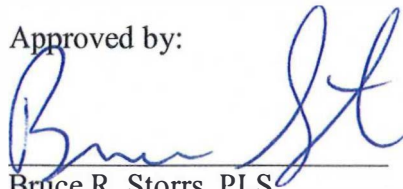
1. North 3°10'56" West a distance of 50.77 feet to the beginning of a curve;
2. along the arc of a tangent 586.00 foot radius curve to the right, having a central angle of 8°49'56" and a distance of 90.33 feet;
3. North 5°39'00" East a distance of 45.93 feet;

4. North 3°10'56" West a distance of 15.26 feet; and
5. North 25°08'26" East a distance of 13.66 feet to the True Point of Beginning.

The Basis of Bearings for this Description and Plat is the Sixteenth Street Monument Line as shown on that certain Final Map entitled "Map of Mission Bay" filed for record in Book Z of Maps, at Pages 97 through 119, inclusive, San Francisco City and County Records. The Bearing of said Monument Line is North 86°49'04" East.

See Exhibit B-10-1, Plat to Accompany Description, attached hereto and made a part hereof.

Approved by:

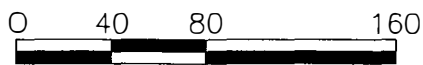
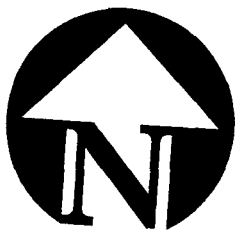
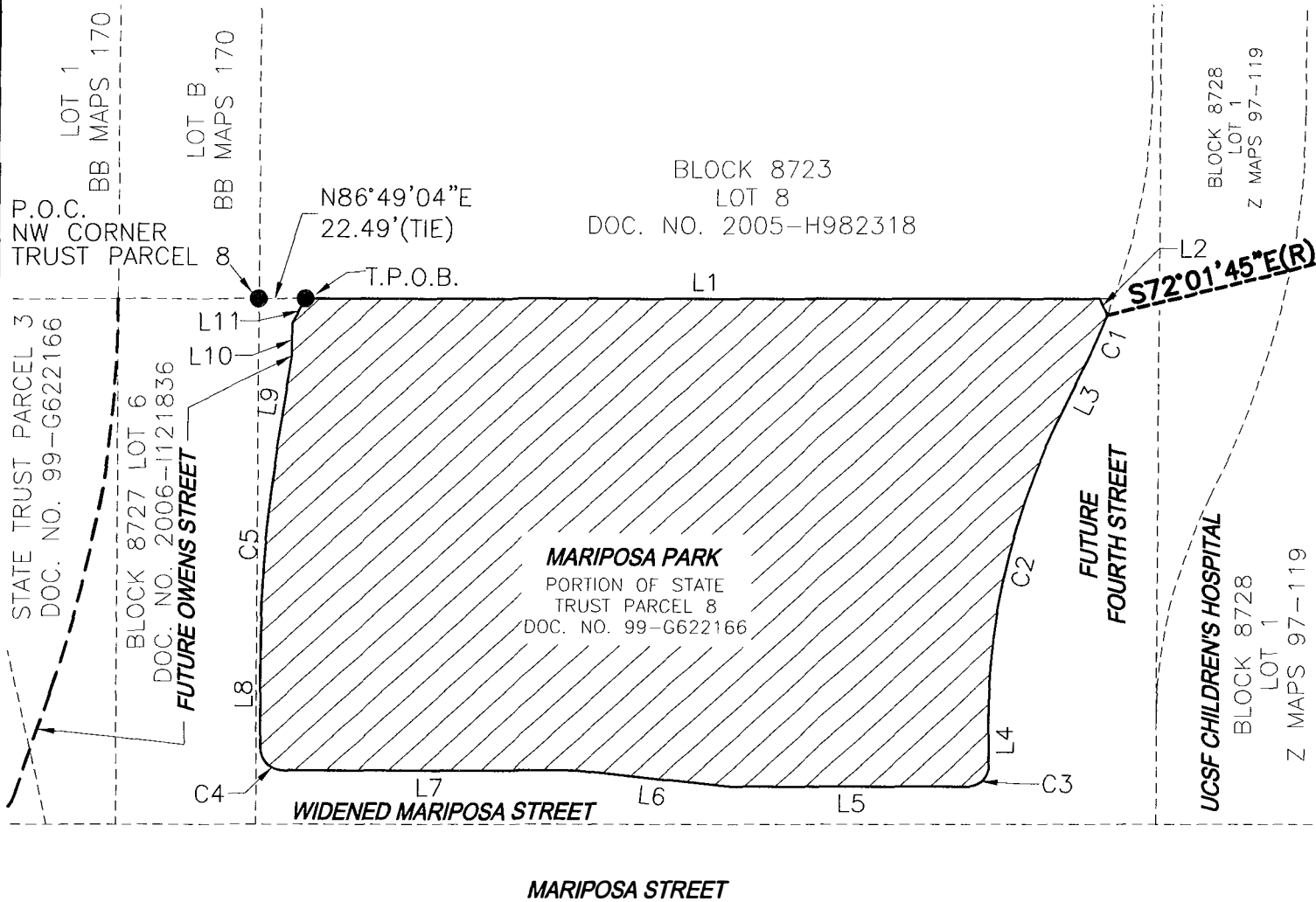


Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
AUGUST 14, 2016 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 135-16

SUCCESSOR AGENCY 
CITY AND COUNTY OF SAN FRANCISCO 
PORT OF SAN FRANCISCO 





SCALE: 1"=80'

LEGEND



MISSION BAY MARIPOSA PARK

P.O.C.

POINT OF COMMENCEMENT

T.P.O.B.

TRUE POINT OF BEGINNING

(R)

RADIAL BEARING

SEE SHEET 2 FOR CURVE AND LINE TABLES

DATE: 7/28/16

EXHIBIT "B-10-1"

PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY MARIPOSA PARK

CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 1

OF

2 SHEETS

BY: PJ

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	300.00'	4°38'19"	24.29'
C2	325.00'	25°47'30"	146.30'
C3	10.00'	90°00'00"	15.71'
C4	11.00'	90°00'00"	17.28'
C5	586.00'	8°49'56"	90.33'

LINE TABLE		
LINE #	BEARING	DISTANCE
L1	N86°49'04"E	383.84'
L2	S27°38'00"E	8.64'
L3	S22°36'34"W	31.97'
L4	S3°10'56"E	21.69'
L5	S86°49'04"W	113.79'
L6	N87°28'18"W	76.38'
L7	S86°49'04"W	141.15'
L8	N3°10'56"W	50.77'
L9	N5°39'00"E	45.93'
L10	N3°10'56"W	15.26'
L11	N25°08'26"E	13.66'

DATE: 7/28/16	EXHIBIT "B-10-1" PLAT TO ACCOMPANY DESCRIPTION	MISSION BAY MARIPOSA PARK CITY AND COUNTY OF SAN FRANCISCO STATE OF CALIFORNIA	SHEET <u>2</u>
BY : PJ			OF <u>2</u> SHEETS

**MEMORANDUM CONFIRMING EFFECTIVE DATE OF AGENCY GROUND LEASE
FOR PARK P5**

RECITALS

A. The City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the “**Port**”), the City and County of San Francisco, acting by and through the Port (collectively, “**City**”), as landlord, and the Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”), as tenant, entered into that certain ground lease, dated as of November 16, 2001 (as amended, the “**Ground Lease**”), pursuant to which the City agreed to lease to the Former Agency and the Former Agency agreed to lease from the City the Open Space Development Parcels (referred to herein as the “**Premises**”) on terms and conditions set forth therein. Unless otherwise defined herein, all initially capitalized terms shall have the meaning set forth in the Ground Lease.

B. Under the Mission Bay North and Mission Bay South Owner Participation Agreements (between the Former Agency and Owner thereunder, (the “**OPAs**”)), Owner is required to construct improvements on the Open Development Space Parcels owned by the City. The Former Agency is required to add Open Space Development Parcels to the Premises in the manner described in Recital C, below, and thereafter to maintain them using funds generated from a community facilities district (the “**Maintenance CFD**”). Under the Maintenance CFD formation documents, the Successor Agency administers the Maintenance CFD until fiscal year 2043-44. The Ground Lease terminates in 2045.

C. Open Space Development Parcels are added to the Premises subject to the Ground Lease incrementally, as improvements upon such parcel or parcels are completed and the preceding leasehold interest over same (under the Catellus Lease as defined in Recital E of the Ground Lease) is terminated. With respect to each addition to the Premises, the term of the Ground Lease commences on the date that the City and the Former Agency initial and date a written legal description of said portion of the Premises and attach such description to the Ground Lease as part of Exhibit B thereof, or, alternatively, portions of the Premises may be added to the Ground Lease from time to time by attaching legal descriptions of such portions of the Premises to the Ground Lease by means of lease amendment.

D. The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California, commonly known as the Office of Community Investment and Infrastructure (the “**Successor Agency**”) became the successor to the Former Agency when the Former Agency was dissolved on February 1, 2012 under the Redevelopment Dissolution Law, California Health and Safety Code Sections 34170 *et seq.* The Successor Agency assumed the rights and obligations of the Former Agency’s enforceable obligations, including the OPAs, which the California Department of Finance (“**DOF**”) finally and conclusively determined to be obligations that survived the dissolution of the Former Agency.

E. Under Redevelopment Dissolution Law, the Successor Agency was required to prepare, and obtain DOF's approval of, a Long-Range Property Management Plan ("PMP") to dispose of its interests in real property. On December 7, 2015, DOF approved the Successor Agency's PMP, which proposes the early termination (subject to Owner's consent) of the Ground Lease in phases.

F. With regard to Open Space Development Parcel P5 (herein "**Park P5**"), Owner met the conditions to the Successor Agency entering into the Ground Lease with respect to **Park P5**. City and Successor Agency will add the legal description of **Park P5** to Exhibit B of the Ground Lease, effective as of May 13, 2019, and accordingly, the term of the Ground Lease will commence on May 13, 2019 with respect to **Park P5**.

PREMISES SUBJECT TO GROUND LEASE

1. As contemplated by Section 2.1 of the Ground Lease, **Park P5** has been or will be added to the Premises subject to the Ground Lease effective as of May 13, 2019, by means of attaching a dated and initialed description of Park P5 to the Ground Lease in the form attached hereto as "Exhibit B-11" and "Exhibit B-11-1".

2. This Memorandum shall not act to amend or modify the Ground Lease.

CONFIRMED:

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By



ANDRICO Q. PENICK
Director of Property

Dated: 5/10/, 2019

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By

NADIA SESAY
Executive Director

Dated: _____, 2019

SAN FRANCISCO PORT COMMISSION

By:

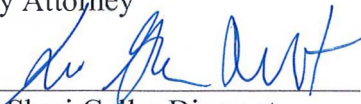
MICHAEL MARTIN
Deputy Director
Real Estate and Development

Dated: _____, 2019

REVIEWED FOR CITY BY:

DENNIS J. HERRERA,
City Attorney

By


Shari Geller Diamant
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**

By

James B. Morales
General Counsel

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney

By

Rona Sandler
Deputy City Attorney

CONFIRMED:

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By _____
ANDRICO Q. PENICK
Director of Property

Dated: _____, 2019

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By _____
NADIA SESAY
Executive Director

Dated: _____, 2019

SAN FRANCISCO PORT COMMISSION

By: 
MICHAEL MARTIN
Deputy Director
Real Estate and Development

Dated: May 10, 2019


REVIEWED FOR CITY BY:

DENNIS J. HERRERA,
City Attorney

By _____
Shari Geller Diamant
Deputy City Attorney

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney

By 
Rona Sandler
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**

By _____
James B. Morales
General Counsel

CONFIRMED:

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By _____
ANDRICO Q. PENICK
Director of Property

Dated: _____, 2019

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By _____
NADIA SESAY
Executive Director

Dated: May 10, 2019

SAN FRANCISCO PORT COMMISSION

By: _____
MICHAEL MARTIN
Deputy Director
Real Estate and Development

Dated: _____, 2019

REVIEWED FOR CITY BY:

DENNIS J. HERRERA,
City Attorney

By _____
Shari Geller Diamant
Deputy City Attorney

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney

By _____
Rona Sandler
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**


By _____
James B. Morales
General Counsel

EXHIBIT B-11

DESCRIPTION OF PROPERTY MISSION BAY DOG PARK (P5)

Portion of State Trust Parcel 2 (99-G622166)

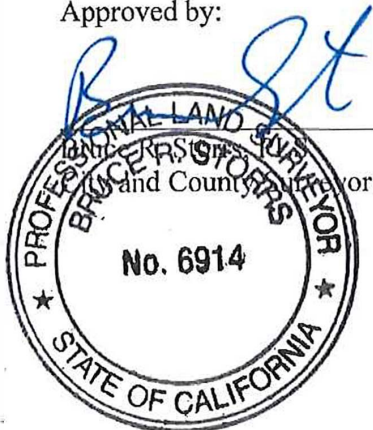
Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 2 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

COMMENCING at the intersection of the Southeasterly line of Channel and the Northeasterly line of El Dorado Street North, being the most westerly corner of Block 8711, Lot 12 as shown on that certain final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 54-58, inclusive, San Francisco City and County Records, thence along said Southwesterly line of Channel, South 46°18'07" West a distance of 35.50 feet to the intersection with the Southwesterly line of El Dorado Street North and **TRUE POINT OF BEGINNING**; thence along said Southwesterly line of El Dorado Street North South 43°41'53" East a distance of 198.75 feet to intersection with the Northwesterly of Long Bridge Street; thence along said Northwesterly line of Long Bridge Street South 46°18'07" West a distance of 81.25 feet to the intersection with the Northeasterly line of El Dorado Street South; Thence along said Northeasterly line of El Dorado Street South North 43°41'53" West a distance of 198.75 to the intersection with the Southeasterly of said Channel; thence along said Southeasterly line of Channel North 46°18'07" East a distance of 81.25 to the True Point of Beginning.

The Basis of Bearings for this Description and Plat is the Third Street Monument Line as shown on that certain Final Map entitled "Final Map Tract No. 3936" filed for record in Book BB of Maps, at Pages 54 through 58, inclusive, San Francisco City and County Records. The Bearing of said Monument Line is South 3°10'56" East.

See Exhibit B-11-1, Plat to Accompany Description, attached hereto and made a part hereof.

Approved by:



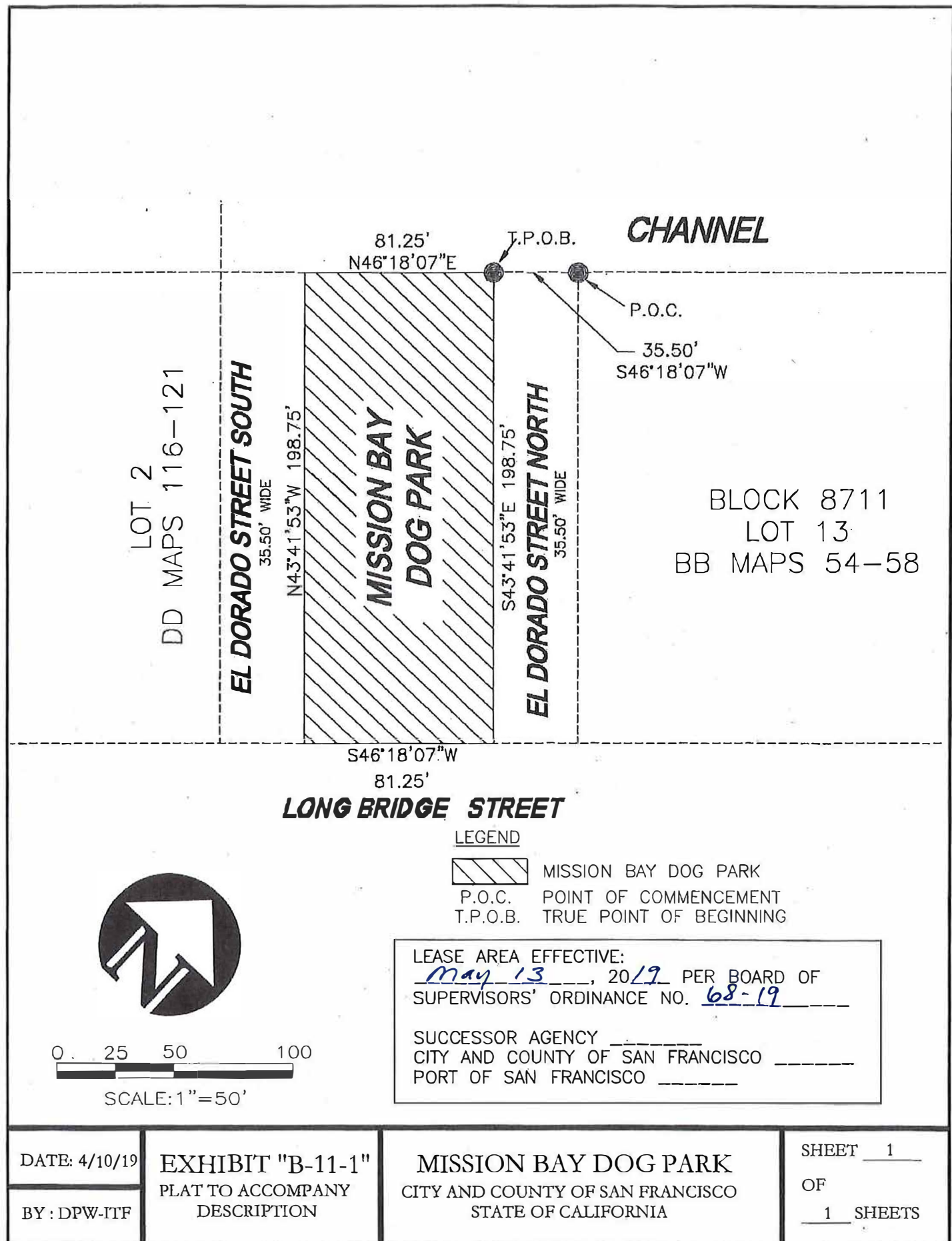
LEASE EFFECTIVE DATE:

May 13, 20 19 PER BOARD OF
SUPERVISORS' ORDINANCE NO. 68-19

SUCCESSOR AGENCY _____

CITY AND COUNTY OF SAN FRANCISCO _____

PORT OF SAN FRANCISCO _____



**MEMORANDUM CONFIRMING EFFECTIVE DATE OF AGENCY GROUND LEASE
FOR PARKS P23, P24, P11 and P11A**

RECITALS

A. The City and County of San Francisco, a municipal corporation, and with respect to those portions of the subject premises located within the jurisdiction of the San Francisco Port Commission (the "**Port**"), the City and County of San Francisco, acting by and through the Port (collectively, "**City**"), as landlord, and the Redevelopment Agency of the City and County of San Francisco (the "**Former Agency**"), as tenant, entered into that certain ground lease, dated as of November 16, 2001 (as amended, the "**Ground Lease**"), pursuant to which the City agreed to lease to the Former Agency and the Former Agency agreed to lease from the City the Open Space Development Parcels (referred to herein as the "**Premises**") on terms and conditions set forth therein. Unless otherwise defined herein, all initially capitalized terms shall have the meaning set forth in the Ground Lease.

B. Under the Mission Bay North and Mission Bay South Owner Participation Agreements (between the Former Agency and Owner thereunder, (the "**OPAs**")), Owner is required to construct improvements on the Open Development Space Parcels owned by the City. The Former Agency is required to add Open Space Development Parcels to the Premises in the manner described in Recital C, below, and thereafter to maintain them using funds generated from a community facilities district (the "**Maintenance CFD**"). Under the Maintenance CFD formation documents, the Successor Agency administers the Maintenance CFD until fiscal year 2043-44. The Ground Lease terminates in 2045.

C. Open Space Development Parcels are added to the Premises subject to the Ground Lease incrementally, as improvements upon such parcel or parcels are completed and the preceding leasehold interest over same (under the Catellus Lease as defined in Recital E of the Ground Lease) is terminated. With respect to each addition to the Premises, the term of the Ground Lease commences on the date that the City and the Former Agency initial and date a written legal description of said portion of the Premises and attach such description to the Ground Lease as part of Exhibit B thereof, or, alternatively, portions of the Premises may be added to the Ground Lease from time to time by attaching legal descriptions of such portions of the Premises to the Ground Lease by means of lease amendment.

D. The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California, commonly known as the Office of Community Investment and Infrastructure (the "**Successor Agency**") became the successor to the Former Agency when the Former Agency was dissolved on February 1, 2012 under the Redevelopment Dissolution Law, California Health and Safety Code Sections 34170 *et seq.* The Successor Agency assumed the rights and obligations of the Former Agency's enforceable obligations, including the OPAs, which the California Department of Finance ("**DOF**") finally and conclusively determined to be obligations that survived the dissolution of the Former Agency.

E. Under Redevelopment Dissolution Law, the Successor Agency was required to prepare, and obtain DOF's approval of, a Long-Range Property Management Plan ("PMP") to dispose of its interests in real property. On December 7, 2015, DOF approved the Successor Agency's PMP, which proposes the early termination (subject to Owner's consent) of the Ground Lease in phases.

F. With regard to Open Space Development Parcels P23, P24, P11 and P11A (herein "**Parks 23/24 and 11/11A**"), Owner met the conditions to the Successor Agency entering into the Ground Lease with respect to **Parks 23/24 and 11/11A**. City and Successor Agency will add the legal descriptions of **Parks 23/24 and 11/11A** to Exhibit B of the Ground Lease, effective as of September 3, 2019, and accordingly, the term of the Ground Lease will commence on September 3, 2019 with respect to **Parks 23/24 and 11/11A**.

PREMISES SUBJECT TO GROUND LEASE

1. As contemplated by Section 2.1 of the Ground Lease, **Parks 23/24 and 11/11A** have been or will be added to the Premises subject to the Ground Lease effective as of September 3, 2019, by means of attaching a dated and initialed description of Parks 23/24 and 11/11A to the Ground Lease in the form attached hereto as "Exhibit B-12" and "Exhibit B-12-1" "Exhibit B-13" and "Exhibit B-13-1".

2. This Memorandum shall not act to amend or modify the Ground Lease.

CONFIRMED:

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By

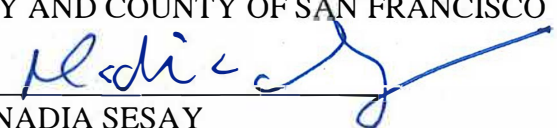

ANDRICO Q. PENICK
Director of Property

Dated: 3/10/20, 2019

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO


By


NADIA SESAY
Executive Director

Dated: January 16, 2020, 2019

SAN FRANCISCO PORT COMMISSION

By



MICHAEL MARTIN
Deputy Director
Real Estate and Development

Dated: August 21, 2019

REVIEWED FOR CITY BY:


DENNIS J. HERRERA,
City Attorney

By


Elizabeth A. Dietrich
Deputy City Attorney

**REVIEWED FOR SUCCESSOR AGENCY
BY:**

By


James B. Morales
General Counsel

REVIEWED FOR PORT BY:

DENNIS J. HERRERA,
City Attorney

By


Rona Sandler
Deputy City Attorney

EXHIBIT B-11 and EXHIBIT B-11-1

(Description and Depiction of Park P5)

(Legal description and plat map pending from DPW)

EXHIBIT B-12

DESCRIPTION OF PROPERTY MISSION BAY PARK P23

Portion of State Trust Parcel 5 (99-G622166)

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 5 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco (portions of AB 3941/001 and 3940/002), and being more particularly described as follows:

BEGINNING at the northeast corner of Parcel 1 (Assessor's Block 3941 Lot 003) as shown on that certain map entitled "Parcel Map No. 4859" recorded on June 4, 2009 in Book 47 of Parcel Maps at Pages 192-196 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California; thence, from said Point of Beginning, along the easterly prolongation of the North line of said Parcel 1, North 86°49'04" East 180.61 feet to a curve; thence 20.15 along the arc of a tangent 10.00-foot radius curve to the right, having a central angle of 115°27'08"; thence South 22°16'12" West 413.20 feet to a curve; thence 77.04 feet along the arc of a tangent 344.00-foot radius curve to the right having a central angle of 12°49'53; thence South 35°06'05" West 34.79 feet to the intersection with the easterly prolongation of the South line of Parcel 2 (Assessor's Block 3941 Lot 004) as shown on said Parcel Map No. 4859; thence along said easterly prolongation of the South Line of Parcel 2, North 86°49'04" East 11.59 feet to the Southeast corner of said Parcel 2; thence along East line of Parcels 1 and 2 for the following three (3) courses:

1. North 26°50'57" East 165.18 feet;
2. North 03°10'56" West 232.00 feet; and
3. North 14°29'32" West 107.07 feet to the **POINT OF BEGINNING**.

Containing 35, 764 square feet (0.82 acres) more or less

See Exhibit B-12-1, plat to accompany description, attached hereto and made a part hereof.

The Basis of Bearing for this Description and Plat is North 86°49'04" East along the Sixteenth Street Monument Line as shown on that certain map entitled "Parcel Map No. 4859" recorded on June 4, 2009 in Book 47 of Parcel Maps at Pages 192-196 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California.

This legal description was prepared by me or under my supervision pursuant to the Professional Land Surveyors Act.

Pedro Jarquin

Pedro Jarquin, PLS
PLS 8268
Exp. 12/31/19



Approved by:

Bruce R. Storrs

Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____
CITY AND COUNTY OF SAN FRANCISCO _____
PORT OF SAN FRANCISCO _____



EXHIBIT B-12

DESCRIPTION OF PROPERTY MISSION BAY PARK P24

Portion of State Trust Parcel 5 (99-G622166)

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 5 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco (Portion of AB 3940/001), and being more particularly described as follows:

BEGINNING at the Southwest corner of Parcel 2 as shown on that certain map entitled "Parcel Map No. 4859" recorded on June 4, 2009 in Book 47 of Parcel Maps, at Pages 192 through 196 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California, said point being on the East line of Illinois Street (61.00 feet wide); thence, from said Point of Beginning, along the South line of said Parcel 2 and its easterly prolongation, North 86°49'04" East a distance of 284.92 feet; thence South 35°06'05" West a distance of 459.88 feet to a point on the East line of said Illinois Street; thence along said East line of Illinois Street North 3°10'56" West a distance of 360.98 feet to the **POINT OF BEGINNING**.

Containing 51,424 square feet (1.18 acres) more or less.

See Exhibit B-12-1, plat to accompany description, attached hereto and made a part hereof.

The Basis of Bearing for this Description and Plat is the Sixteenth Street Monument Line as shown on that certain map entitled "Parcel Map No. 4859" recorded on June 4, 2009 in Book 47 of Parcel Maps at Pages 192-196 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California. The Bearing of said Monument Line is North 86°49'04" East.

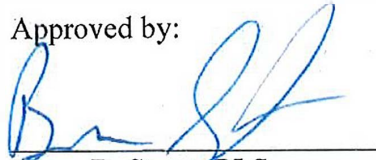
This legal description was prepared by me or under my supervision pursuant to the Professional Land Surveyors Act.

Pedro Jarquin

Pedro Jarquin, PLS
PLS 8268
Exp. 12/31/19



Approved by:



Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____
CITY AND COUNTY OF SAN FRANCISCO _____
PORT OF SAN FRANCISCO _____



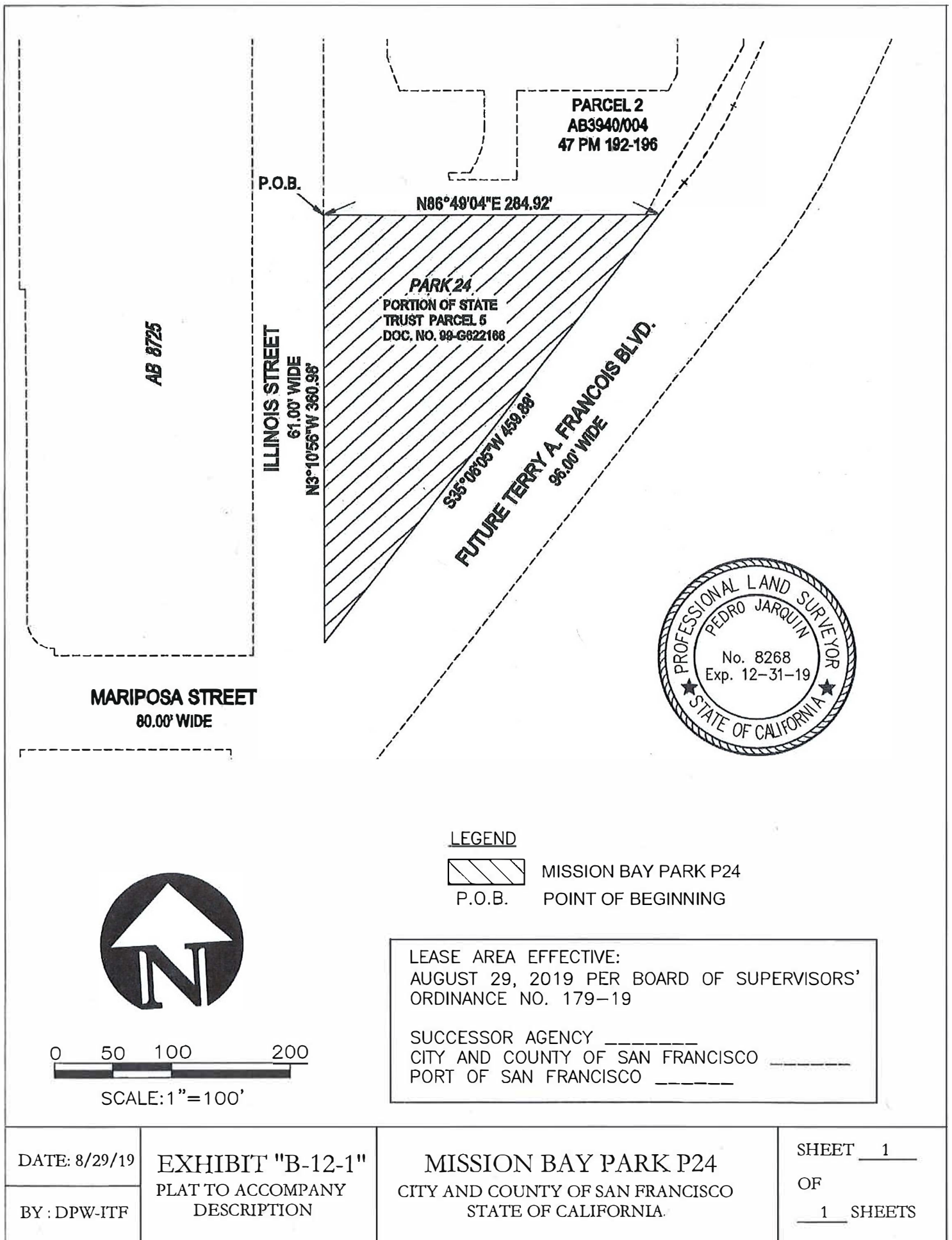


EXHIBIT B-13

DESCRIPTION OF PROPERTY MISSION BAY PARK P11

Portion of State Trust Parcel 2 (99-G622166)

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 2 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

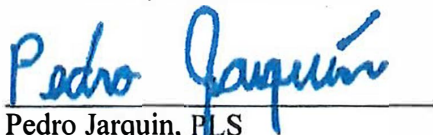
COMMENCING at the Southeasterly corner of Assessor's Block 8710 Lot 6 as shown on that certain Final Map entitled "Final Map No. 4343 for Residential and Commercial Condominium Purposes Mission Bay (11 and 12)" filed for record on April 8, 2011 in Book DD of Survey Maps at Pages 116 through 121, inclusive, in Office of the Recorder of said City and County; thence South 03°10'56" East 35.25 feet to the **TRUE POINT OF BEGINNING**; from said True Point of Beginning, North 86°49'04" East 19.875 feet to a curve; thence 3.93 feet along the arc of a tangent 2.50-foot radius curve to the right, having a central angle of 90°00'00"; thence South 03°10'56" East 125.25 feet to a curve; thence 3.93 feet along the arc of a tangent 2.50-foot tangent curve to the right, having a central angle of 90°00'00"; thence South 86°49'04" West 19.875 feet to a tangent curve; thence 204.60 feet along the arc of a tangent 65.125-foot radius curve to the right, having a central angle of 180°00'00" to the **TRUE POINT OF BEGINNING**.

Containing 9,574 square feet (0.22 acres) more or less.

See Exhibit B-13-1, plat to accompany description, attached hereto and made a part hereof.

The Basis of Bearing for this Description and Plat is North 03°10'56" West between the found monuments on Third Street between former Fourth Street and Sixteenth Street as shown on that certain map entitled "Record of Survey Map of Mission Bay" recorded on May 31, 2005 in Book BB of Maps at Pages 4-5 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California.

This legal description was prepared by me or under my supervision pursuant to the Professional Land Surveyors Act.



Pedro Jarquin, PLS
PLS 8268
Exp. 12/31/19



Approved by:



Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:
AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____
CITY AND COUNTY OF SAN FRANCISCO _____
PORT OF SAN FRANCISCO _____



EXHIBIT B-13

DESCRIPTION OF PROPERTY MISSION BAY PARK P11A

Portion of State Trust Parcel 2 (99-G622166)

Being all that certain real property situate in the City and County of San Francisco, State of California, being further described as a portion of Trust Parcel 2 as described in that certain Patent to the City and County of San Francisco recorded on July 19, 1999 as Document No. 99-G622166, Official Records of the City and County of San Francisco, and being more particularly described as follows:

COMMENCING at the Southwesterly corner of Assessor's Block 8710 Lot 6 as shown on that certain Final Map entitled "Final Map No. 4343 for Residential and Commercial Condominium Purposes Mission Bay (11 and 12)" filed for record on April 8, 2011 in Book DD of Survey Maps at Page 116 through 121, inclusive, in the Office of the Recorder of said City and County; thence South 6°23'41" East 36.56 feet to the **TRUE POINT OF BEGINNING**; thence from said True Point of Beginning; North 86°49'04" East 151.09 feet to a curve; thence, from a radial line that bears South 88°27'46" West, 6.00 feet along the arc of a non-tangent 104.50-foot radius curve to the left, having a central angle of 03°17'25"; thence South 86°49'04" West 151.09 feet; thence North 3°10'56" West 6.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 906 square feet (0.02 acres) more or less.

See Exhibit B-13-1, plat to accompany description, attached hereto and made a part hereof.

The Basis of Bearing for this Description and Plat is North 03°10'56" West between the found monuments on Third Street between Fourth Street and Sixteenth Street as shown on that certain map entitled "Record of Survey Map of Mission Bay" recorded on May 31, 2005 in Book BB of Maps at Pages 4-5 inclusive, in the Office of the Recorder of the City and County of San Francisco, State of California.

This legal description was prepared by me or under my supervision pursuant to the Professional Land Surveyors Act.



Pedro Jarquin, PLS
PLS 8268
Exp. 12/31/19



Approved by:

AS TO FORM

B. Storrs

Bruce R. Storrs, PLS
City and County Surveyor

LEASE EFFECTIVE DATE:

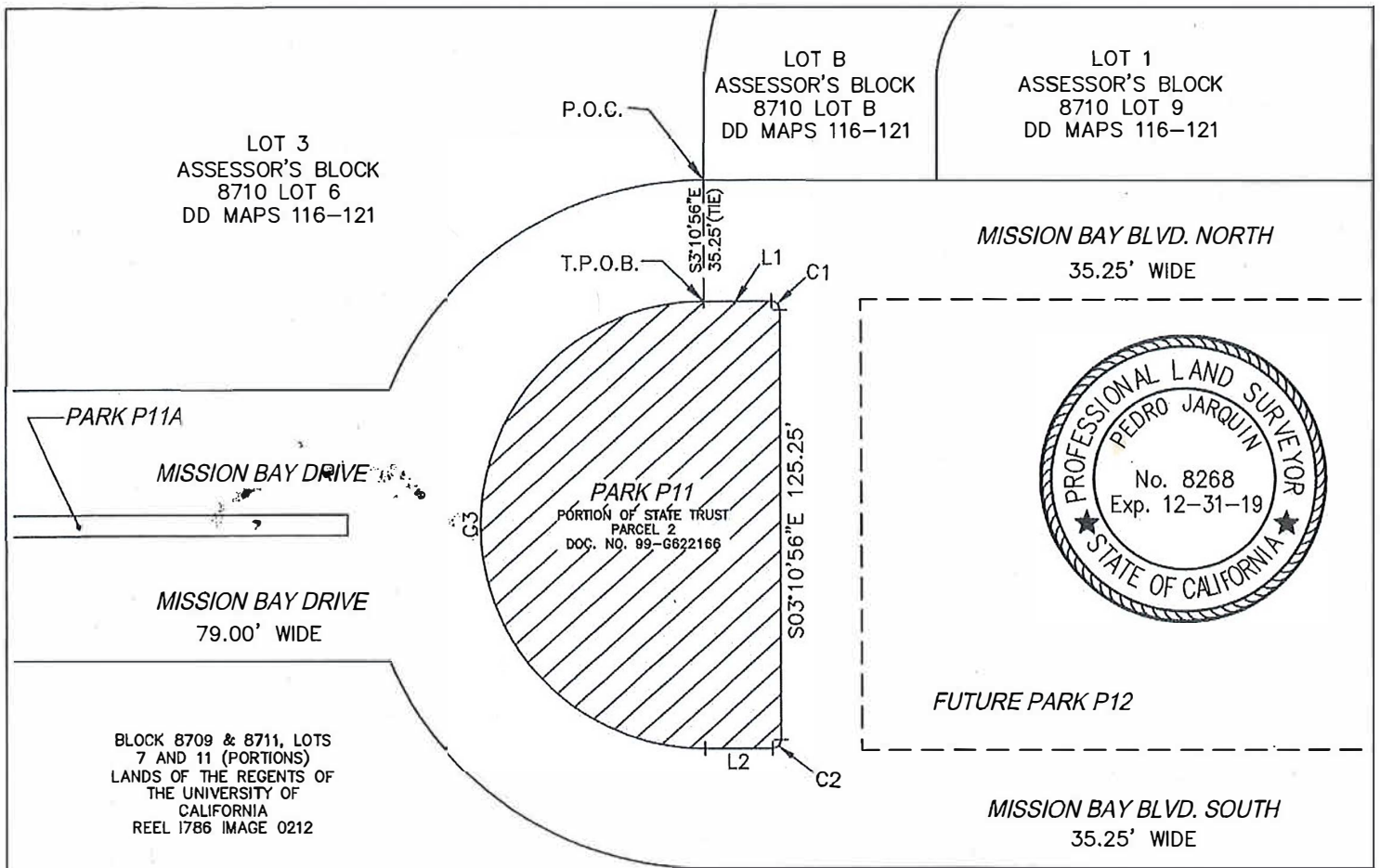
AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____

CITY AND COUNTY OF SAN FRANCISCO _____

PORT OF SAN FRANCISCO _____






CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	2.50'	90°00'00"	3.93'
C2	2.50'	90°00'00"	3.93'
C3	65.13'	180°00'00"	204.61'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N86°49'04"E	19.88'
L2	S86°49'04"W	19.88'



LEGEND

-  MISSION BAY PARK P11
 P.O.C. POINT OF COMMENCEMENT
 T.P.O.B. TRUE POINT OF BEGINNING

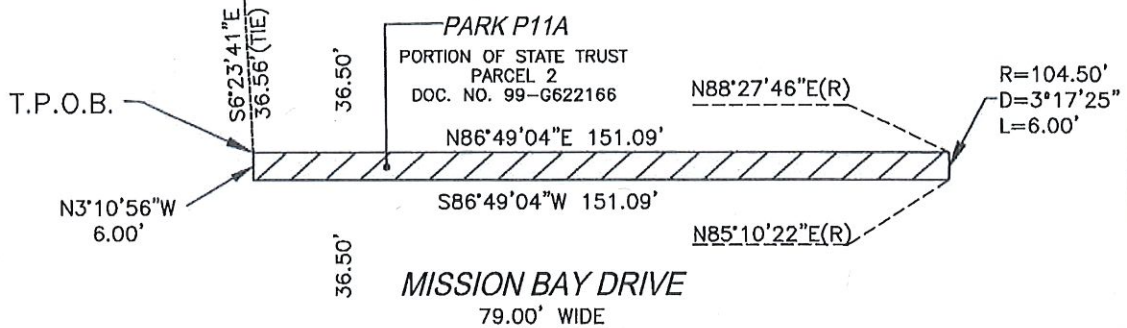
LEASE AREA EFFECTIVE:
 AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
 ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____
 CITY AND COUNTY OF SAN FRANCISCO _____
 PORT OF SAN FRANCISCO _____

DATE:	EXHIBIT "B-13-1" PLAT TO ACCOMPANY DESCRIPTION	MISSION BAY PARK P11 CITY AND COUNTY OF SAN FRANCISCO STATE OF CALIFORNIA	SHEET <u>1</u>
BY: PJ			OF <u>1</u> SHEETS

LOT 3
ASSESSOR'S BLOCK
8710 LOT 6
DD MAPS 116-121

P.O.C.




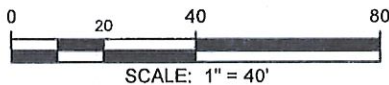
PARK
P11

BLOCK 8709 & 8711, LOTS 7
AND 11 (PORTIONS)
LANDS OF THE REGENTS OF
THE UNIVERSITY OF CALIFORNIA
REEL 1786 IMAGE 0212



LEGEND

 MISSION BAY PARK P11A
P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING



LEASE AREA EFFECTIVE:
AUGUST 29, 2019 PER BOARD OF SUPERVISORS'
ORDINANCE NO. 179-19

SUCCESSOR AGENCY _____
CITY AND COUNTY OF SAN FRANCISCO _____
PORT OF SAN FRANCISCO _____

DATE:

EXHIBIT "B-13-1"
PLAT TO ACCOMPANY
DESCRIPTION

MISSION BAY PARK P11A
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

SHEET 1
OF
1 SHEETS

BY: PJ



MEMORANDUM

October 6, 2023

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Ed Harrington
Hon. Steven Lee

FROM: Elaine Forbes
Executive Director 

SUBJECT: Request Authorization for the Port to enter into an Agreement with the Office of Community Investment and Infrastructure (OCII) and the Recreation and Parks Department (RPD) for the Port and RPD to maintain and operate certain Mission Bay Parks that will be funded by Community Financing District # 5 (CFD #5) revenues until 2044.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 23-44

EXECUTIVE SUMMARY

The Port, OCII and Recreation and Parks Department (RPD) have been collaborating on a parks management and operations agreement ("Agreement") for the Mission Bay Parks system. The Port and RPD will take over management of the Parks consistent with the State of California's requirement for OCII to divest itself of assets and asset management as required by the dissolution of Redevelopment authority.

At the June 13th Port Commission meeting¹, the Port Commission authorized staff to enter into a temporary agreement with OCII for the operations and maintenance of certain Mission Bay Parks using CFD #5 funds. That temporary agreement was entered into

¹ [Second Bond Issuance Informational \(sfport.com\)](https://sfport.com/second-bond-issuance-informational)

because staff needed additional time to resolve issues and seek approval of the Agreement from all three agencies' commissions and the Board of Supervisors. It was intended that such a temporary agreement would be replaced by a long-term agreement.

Working with RPD staff, the agencies have aligned on which parks will be managed by each of the Port and RPD. The Port and RPD have developed a logical division of the Mission Bay parks for operations and maintenance, which is not strictly limited to City and Port jurisdiction but aligns with the user experience, operational efficiencies, and systems management. Additionally, the agencies have been working with San Francisco Public Works on the vacation of the right-of-way overlay on the built Mission Bay Parks.

The transfer of Mission Bay Parks to the Port and City has always been anticipated; however, because of the dissolution of the Redevelopment authority and the State's mandate to divest from assets, the management and operation of the parks will go to the Port and City earlier than expected. Under the Agreement, the Port and RPD have agreed on a method to identify how available CFD #5 funds are distributed between the two agencies. However, as discussed at the June 13th Port Commission meeting, the Port anticipates total park operating costs to exceed available CFD #5 funds in approximately five years, such that the Port will only be partially reimbursed for its costs.

STRATEGIC OBJECTIVE

Management of Mission Bay Parks on Port lands supports the Port's Strategic Plan goals:

Sustainability:

Advance environmental stewardship to limit climate change and protect the Bay.

Evolution:

Evolve the waterfront to respond to changing public and Port needs.

Engagement:

Engage constituents and the public on Port functions and activities.

BACKGROUND

In 1998, the Port Commission and Board of Supervisors approved the Redevelopment Plans for Mission Bay North and South² which provide for, among other things, the development of parks on City lands, including both Port and non-Port lands (see *Attachment 1 for a parks map*). The parks on non-Port lands are currently under the jurisdiction of the City's Real Estate Division (RED). The parks were constructed on City and Port lands under the direction of the former Redevelopment Agency ("Former Agency"), which has been dissolved and is now managed by the Office of Community Investment and Infrastructure ("OCII"). The parks were built by the Mission Bay Development Group, utilizing Tax Increment and Mello-Roos funds, and are maintained by

² See Board of Supervisors Ordinance No. 327-98 (Oct. 26, 1998) and Ordinance No. 335-98 (Nov. 2, 1998); as well as Port Commission Resolutions 98-86 through 98-98.

OCII contractors utilizing CFD #5 funds collected from parcel owners. Parklands were leased to the developer during construction, then upon completion and acceptance by the City, the ground lease with the developer was terminated and the parklands transferred into a Master Ground lease with the Former Agency. The termination of the Master Ground lease between RED, the Port, and OCII, was always anticipated to occur, but was not expected to occur until approximately 2044 and will now occur with the execution of the Agreement.

The California Redevelopment Dissolution Law requires OCII to dispose of the Former Agency's real property interests, including the park's Master Ground Lease. The California Department of Finance has approved a long-range property management plan for OCII that requires, among other things, OCII to terminate its leasehold interests in the Mission Bay Parks but acknowledges OCII's continuing administration of CFD #5 maintenance funds, which are authorized under state authority separate from the Redevelopment Dissolution Law.

AGREEMENT OVERVIEW

The Agreement between OCII, RPD, and the Port includes provisions describing:

- a) the terms of the agreement and each agency's role;
- b) identifies the areas of parks to be managed by each of the Port and RPD;
- c) includes a process for developing an operations plan and anticipated budget;
- d) describe how and when the Port and RPD will be reimbursed for its cost from the CFD #5 maintenance funds;
- e) sets forth indemnification obligations;
- f) outlines methods to coordinate maintenance and operational issues with both RPD and OCII;
- g) recognizes the jurisdiction of necessary park rules, regulations, and enforcement;
- h) recognizes the use regulations consistent with the Public Trust and Bay Conservation and Development Commission permit requirements;
- i) describes the process for the design and development of future Mission Bay Parks; and
- j) identifies the process to terminate or amend the Agreement.

OCII will continue to manage the CFD #5 funds collected for park maintenance and operations and distribute them to the Port and RPD quarterly. The park parcel ownership is currently divided between the Port and RED, which includes Port park parcels generally along the Bay and along the Mission Creek shoreline and RED park parcels generally being inland park parcels. Some of the park parcels are split jurisdiction partially on Port lands and partially on RED lands. Port and City staff have been working to divide park maintenance and operations management between the Port and RPD. Specifically, the Port will manage and operate park parcels P18, P19, P21, P22, P23, and P24 (see *Attachment 1- Mission Bay Parks- Port Maintenance*) all of which are on Port lands along the Bayside edge. RPD will manage all other parcels, including parks P1, P2, P8, and P15, which are split jurisdiction on both Port and City lands, and P17, which is entirely on Port

lands. While RPD will manage some Port park parcels, this is recommended to support ease of use by park visitors and recognize efficiencies of management and operations.

In order to have only the Port Code or the City Park Code apply to the Mission Bay parks so park enforcement can occur under the applicable Municipal Code and each respective agency can issue permits for use of the parks/open spaces, the Board of Supervisors will need to vacate the public right-of-way status that exists on the park parcels. The street vacation also will terminate the application of the Public Works Code. The City created the public right-of-way status for the parks/open space in the Mission Bay Redevelopment Plans to allow the San Francisco Public Works Department to issue permits to construct the parks and bring legislation to the Board of Supervisors to “accept” the improvements, including PUC utilities. The public right-of-way is no longer needed on built parks/open spaces and applying the Port and RPD codes for use and enforcement is recommended for the appropriate and efficient administration and management of the parks/open spaces.

COMMUNITY OUTREACH

The Port, RPD, and OCII have met on several occasions with the Mission Bay Citizens Advisory Committee (Mission Bay CAC) and the Port’s Southern Advisory Committee to review the approach outlined above to transfer Mission Bay Parks back from OCII management to the Port and RPD. Moving forward the Port and RPD will both make themselves available at Mission Bay CAC and other CACs to keep the public apprised of park operations.

NEXT STEPS

The Agreement also needs to be approved by the OCII and RPD Commission and the Board of Supervisors. The approval action is being heard by both the OCII and RPD Commission in late October and the Board of Supervisors will consider the Action in November and December with the desire to have the agreement executed in late December.

Prepared by:

David Beaupre,
Deputy Director for Planning and Environment

Attachment 1 - Park Maintenance and Operations division of responsibility

The map displays the Mission Bay area in San Francisco, with various streets and landmarks labeled. The parcels are color-coded and outlined to indicate their status:

- Under Construction:** Shaded in light blue. Includes parcels P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13, P14, P15, P16, P17, P18, P19, P20, P21, P22, P23, P24, P25, P26, P27, P28, P29, P30, P31, P32, P33, P34, P35, P36, P37, P38, P39, P40, P41, P42, P43, P44, P45, P46, P47, P48, P49, P50, P51, P52, P53, P54, P55, P56, P57, P58, P59, P60, P61, P62, P63, P64, P65, P66, P67, P68, P69, P70, P71, P72, P73, P74, P75, P76, P77, P78, P79, P80, P81, P82, P83, P84, P85, P86, P87, P88, P89, P90, P91, P92, P93, P94, P95, P96, P97, P98, P99, P100.
- Port Maintained:** Shaded in dark green. Includes parcels P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13, P14, P15, P16, P17, P18, P19, P20, P21, P22, P23, P24, P25, P26, P27, P28, P29, P30, P31, P32, P33, P34, P35, P36, P37, P38, P39, P40, P41, P42, P43, P44, P45, P46, P47, P48, P49, P50, P51, P52, P53, P54, P55, P56, P57, P58, P59, P60, P61, P62, P63, P64, P65, P66, P67, P68, P69, P70, P71, P72, P73, P74, P75, P76, P77, P78, P79, P80, P81, P82, P83, P84, P85, P86, P87, P88, P89, P90, P91, P92, P93, P94, P95, P96, P97, P98, P99, P100.
- RPD Maintained:** Shaded in light green. Includes parcels P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13, P14, P15, P16, P17, P18, P19, P20, P21, P22, P23, P24, P25, P26, P27, P28, P29, P30, P31, P32, P33, P34, P35, P36, P37, P38, P39, P40, P41, P42, P43, P44, P45, P46, P47, P48, P49, P50, P51, P52, P53, P54, P55, P56, P57, P58, P59, P60, P61, P62, P63, P64, P65, P66, P67, P68, P69, P70, P71, P72, P73, P74, P75, P76, P77, P78, P79, P80, P81, P82, P83, P84, P85, P86, P87, P88, P89, P90, P91, P92, P93, P94, P95, P96, P97, P98, P99, P100.
- Future:** Outlined in dark blue. Includes parcels P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13, P14, P15, P16, P17, P18, P19, P20, P21, P22, P23, P24, P25, P26, P27, P28, P29, P30, P31, P32, P33, P34, P35, P36, P37, P38, P39, P40, P41, P42, P43, P44, P45, P46, P47, P48, P49, P50, P51, P52, P53, P54, P55, P56, P57, P58, P59, P60, P61, P62, P63, P64, P65, P66, P67, P68, P69, P70, P71, P72, P73, P74, P75, P76, P77, P78, P79, P80, P81, P82, P83, P84, P85, P86, P87, P88, P89, P90, P91, P92, P93, P94, P95, P96, P97, P98, P99, P100.
- Port Parcels:** Outlined in white. Includes parcels P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13, P14, P15, P16, P17, P18, P19, P20, P21, P22, P23, P24, P25, P26, P27, P28, P29, P30, P31, P32, P33, P34, P35, P36, P37, P38, P39, P40, P41, P42, P43, P44, P45, P46, P47, P48, P49, P50, P51, P52, P53, P54, P55, P56, P57, P58, P59, P60, P61, P62, P63, P64, P65, P66, P67, P68, P69, P70, P71, P72, P73, P74, P75, P76, P77, P78, P79, P80, P81, P82, P83, P84, P85, P86, P87, P88, P89, P90, P91, P92, P93, P94, P95, P96, P97, P98, P99, P100.

MISSION BAY PARKS
OCTOBER 2022

Scale: 0 200 400 600 feet

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 23-44


- WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and
- WHEREAS, The San Francisco Office of Community Investment and Infrastructure (OCII) is required to divest its assets and management of public assets including the Mission Bay parks consistent with the State of California's requirement of Redevelopment dissolution; and
- WHEREAS, In 1998 the San Francisco Board of Supervisors, and many other agencies including the Port, approved the Mission Bay Redevelopment Plans North and South, which included agreements between the Redevelopment Agency and certain City agencies; and
- WHEREAS, The Mission Bay Redevelopment Area and associated agreements, required that certain lands within Mission Bay under the jurisdiction of the Port be improved and maintained by OCII using Tax Increment and Mello Roos funds and maintenance funds through a Community Financing District (CFD #5); and
- WHEREAS, The Mission Bay Redevelopment Plan anticipated that the parks on Port lands would eventually return to the Port for maintenance and operations; and
- WHEREAS, The Port, OCII, and Recreation and Park Department (RPD) have developed an Agreement for Maintenance and Operations of Mission Bay Parks and Open Spaces, which is on file with the Commission Secretary that outlines the maintenance, operations and funding of Mission Bay parks; and
- WHEREAS, The cost of management and maintenance for the parks and open spaces will be funded through the CFD #5 through 2044; and
- WHEREAS, The Port, RPD and OCII recognize that revenues from CFD #5 will likely not adequately cover such management and maintenance costs in approximately five years; and
- WHEREAS, The San Francisco Public Works right-of-way overlay on the parks will be vacated so the Port and RPD can issue permits and enforce rules and regulations under the Port and Park Codes; and
- WHEREAS, The Port, RPD and OCII will coordinate operations, and management,

including park rules, regulations, security and public outreach and communications; and

WHEREAS, The Port, RPD and OCII have done extensive outreach with the Mission Bay Citizen Advisory Committee, Port Southern Advisory Committee and the Parks and Recreation Open Space Advisory Committee; now, therefore it be

RESOLVED, That the Port Commission authorizes the Executive Director or her designee, to enter into the Agreement for Maintenance and Operations of Mission Bay Parks and Open Spaces with OCII and RPD for the operations and maintenance of certain Mission Bay Parks.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 10, 2023.

DocuSigned by:

Secretary
2A9BEF9AAF934F9...

RECREATION AND PARK COMMISSION
City and County of San Francisco
Resolution Number 2310-006

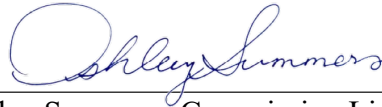
MISSION BAY PARKS – OCII FY24 MEMORANDUM OF AGREEMENT

RESOLVED, This Commission does adopt a resolution (1) approving an agreement for the Public Utilities Commission to maintain certain green infrastructure at the Mission Bay Parks, (2) recommending that the Board of Supervisors approve an agreement for the Community Facility District No. 5 (Mission Bay Maintenance District), acting through the Successor Agency to Redevelopment Agency of San Francisco (OCII), to fund the City’s operation and maintenance of the Mission Bay Parks, and (3) recommend that the Board of Supervisors approve the termination of OCII’s Ground Lease to the Mission Bay Parks.

Adopted by the following vote:

Ayes	7
Noes	0
Absent	0

I hereby certify that the foregoing resolution was adopted at the Recreation and Park Commission meeting held on October 19, 2023.



Ashley Summers, Commission Liaison

From: [Penick, Andrico](#)
To: [Malamut, John \(CAT\)](#)
Subject: RE: Transmittal memorandum for MB Parks Resolution
Date: Monday, October 30, 2023 2:04:00 PM

Thanks. AQP

Andrico Q. Penick

Director of Real Estate
City and County of San Francisco

(415) 554-9860 (direct)

Andrico.Penick@sfgov.org

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From: Malamut, John (CAT) <John.Malamut@sfcityatty.org>
Sent: Friday, October 27, 2023 12:44 PM
To: Penick, Andrico <andrico.penick@sfgov.org>
Cc: Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>; Heckman, Gretchen (CII) <gretchen.heckman@sfgov.org>; SHIN, HELEN (CAT) <Helen.Shin@sfcityatty.org>; Morales, James (CII) <james.morales@sfgov.org>; PRADHAN, MANU (CAT) <Manu.Pradhan@sfcityatty.org>
Subject: RE: Transmittal memorandum for MB Parks Resolution

The actions identified in this legislation do not trigger the need for General Plan referral based on the requirements identified in the SF Charter Section 4.105 or Administrative Code Section 2A.53.

John D. Malamut (*he/him*)
Deputy City Attorney
Office of City Attorney David Chiu
(415) 554-4622 Direct or (510) 292-9129 Mobile
www.sfcityattorney.org
Find us on: [Facebook](#) [Twitter](#) [Instagram](#)

From: Penick, Andrico <andrico.penick@sfgov.org>
Sent: Friday, October 27, 2023 12:37 PM
To: Malamut, John (CAT) <John.Malamut@sfcityatty.org>
Cc: Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>; Heckman, Gretchen (CII) <gretchen.heckman@sfgov.org>; Shin, Helen (CAT) <Helen.Shin@sfcityatty.org>; Morales, James

(CII) <james.morales@sfgov.org>; Pradhan, Manu (CAT) <Manu.Pradhan@sfcityatty.org>

Subject: RE: Transmittal memorandum for MB Parks Resolution

Importance: High

Hi John. Please don't forget to send me an email explaining why this doesn't need a GPR letter so I can share that with the Clerk. Thanks. AQP

Andrico Q. Penick

Director of Real Estate
City and County of San Francisco

(415) 554-9860 (direct)

Andrico.Penick@sfgov.org

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October 30, 2023

Supervisor Dorsey
City Hall
1 Carlton B. Goodlett Place
San Francisco, CA 94102

Re: Sponsorship for a Resolution Approving an Agreement for Maintenance and Operations and Termination of Ground Lease

Dear Supervisor Dorsey

The Resolution would authorize the City to enter into an agreement with the Successor Agency (also known as the Office of Community Investment and Infrastructure or "OCII") whereby OCII would provide the City with special assessments collected from Mission Bay property owners, who approved the special tax for the sole purpose of maintaining Mission Bay parks. In return, the City, acting through the Recreation and Parks Department ("RPD") and Port, would maintain, operate, and repair the Mission Bay parks according to the terms and conditions of the agreement. The agreement identifies the particular Mission Bay parks for which the RPD and the Port are responsible and provides a process for the annual allocation of special taxes to the respective City departments. The City is the owner of the Mission Bay parks, but since 2001 has delegated through a Ground Lease the responsibility for the parks' maintenance to the former Redevelopment Agency and OCII.

Under Redevelopment Law, the former Redevelopment Agency ("Former Agency") was prohibited from using redevelopment property tax increment to "pay for the normal maintenance or operation of buildings, facilities, structure, or other improvements which are publicly owned." Health & Safety Code § 33445 (b). In 1999, however, the Former Agency formed a Community Facilities District No. 5 (Mission Bay Maintenance District) under the Mello-Roos Community Facilities Act of 1982 and conducted an election of qualified voters who approved the levy of special taxes for maintenance services. Acting as a Community Facilities District ("CFD"), the Former Agency was able to fund the maintenance of the Mission Bay parks with the special taxes that it collected and thus assumed that responsibility through the Ground Lease and CFD requirements. As Mission Bay parks were completed, the City accepted the improvements and included them in the Ground Lease.

In 2012, the state dissolved all redevelopment agencies and formed successor agencies with limited authority to wind down redevelopment affairs. Redevelopment Dissolution Law, Health & Safety Code §§ 34170 et seq. Subsequently, the Board of Supervisors established, by

Ordinance No. 215-12 (2012), the Successor Agency Commission to implement the dissolution process. The Redevelopment Dissolution Law required, among other things, that OCII dispose of the Former Agency's real property interests. In 2015, the California Department of Finance approved a long range property management plan ("PMP") requiring the termination of the Mission Bay Ground Lease.

In compliance with the state directive under the PMP, the Resolution also authorizes the termination of the Mission Bay Ground Lease. Approval of the Resolution is the first step in a process whereby the City will assign, by ordinance, jurisdiction over the Mission Bay parks to the RPD and the Port.

Thank you for sponsoring this legislation.

Sincerely,



Andrico Q. Penick
Director of Property

From: [Conine-Nakano, Susanna \(MYR\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [Paulino, Tom \(MYR\)](#); [Dahl, Bryan \(BOS\)](#); [Penick, Andrico](#)
Subject: Mayor -- Resolution -- Mission Bay Parks and Open Spaces
Date: Tuesday, October 31, 2023 3:54:22 PM
Attachments: [Mayor -- Resolution -- Mission Bay Parks and Open Spaces.zip](#)

Hello Clerks,

Attached for introduction to the Board of Supervisors is a Resolution authorizing an agreement with the Successor Agency to the Redevelopment Agency of San Francisco (OCII), acting in its capacity as the legislative body of Community Facilities District No. 5 (Mission Bay Maintenance District), for the City to receiving funding for its operation and maintenance of the Mission Bay Parks, and to authorize the Port of San Francisco and the Recreation and Park Department to coordinate the operation and maintenance; and authorizing the termination of OCII's Ground Lease to the Mission Bay Parks.

Please note that Supervisor Dorsey is a co-sponsor of this legislation.

Best,
Susanna

Susanna Conine-Nakano
Office of Mayor London N. Breed
City & County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 200
San Francisco, CA 94102
415-554-6147