

LUCASFILM PULLS BUILDING PLANS

OUT OF MARIN

It is with great sadness that Skywalker Properties has decided to pull its application to build a studio facility on the old Grady Ranch.

The level of bitterness and anger expressed by the homeowners in Lucas Valley has convinced us that, even if we were to spend more time and acquire the necessary approvals, we would not be able to maintain a constructive relationship with our neighbors.

We love working and living in Marin, but the residents of Lucas Valley have fought this project for 25 years, and enough is enough. Marin is a bedroom community and is committed to building subdivisions, not business. Many years ago, we tried to stop the Lucas Valley Estates project from being built, but we failed, and we now have a subdivision on our doorstep.

While we managed to build on Skywalker Ranch after one year master plan approval and another year PDP approval, it took over 10 years for the Master Plan approval on Big Rock and Grady Ranches. It took us three years for a PDP on Big Rock and now we are four years into trying to get a PDP permit for Grady Ranch with no end in sight.

As the company grew we realized we needed more space than what we were building in Lucas Valley at Skywalker Ranch, and it could not accommodate the whole company. We then worked to find more land on which to expand our corporate headquarters, our video game enterprise LucasArts, and our visual effects company Industrial Light & Magic. We were told there was no way we would be able to build a facility of that size in Marin County and therefore we moved the majority of our employees from Marin to the Presidio in San Francisco. We've had a great partnership with the Presidio Trust and created a low impact facility which offers great benefit to its surrounding community.

We then went back to Marin County with only the studio facility that was previously approved in the Master Plan. We have been trying for four years to get the Precise Development Plan approved, but it appears that, as always

seems to be the case, the process will be delayed again for more months or years.

We are not a real estate developer. We need the spaces we build to do our work. Movies are waiting to be made, and we must move forward. Unfortunately, the projects we had planned to shoot on those stages have already started production and we will need the studio space by early 2013. We have several opportunities to build the production stages in communities that see us as a creative asset, not as an evil empire, and if we are to stay on schedule we must act on those opportunities.

When we first proposed Skywalker Ranch in 1978, we understood people's concerns about a business moving to residential area. They feared helicopters landing with celebrities and tour buses coming down Lucas Valley Road. None of their fears materialized. Over 5,000 acres were permanently preserved with an 11 mile hiking trail, all the buildings are hidden from the road, the pond and ranch restoration created an area for wildlife to thrive, and over 8,000 trees were planted. Lucasfilm provided fire and rescue aid to the community and boosted Marin's economy by hundreds of millions of dollars and provided employment to its residents. After Skywalker Ranch was completed, our neighbors praised us and the County continually used us as an example of how best to develop. We were one of the first large employers certified as a Marin County "Green Business."

We realize our solution to creating open space by placing low-impact commercial facilities on farmland, while permanently preserving over 95% of the total acreage, has not been accepted by our neighbors. Nor are they or many of the public agencies interested in the \$50-70M restoration of the stream. Maybe we're ahead of our time.

We plan to sell the Grady property expecting that the land will revert back to its original use for residential housing. We hope we will be able to find a developer who will be interested in low income housing since it is scarce in Marin. If everyone feels that housing is less impactful on the land, then we are hoping that people who need it the most will benefit.