OCII
office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

118-0282017-002

Agenda Item **No. 5(e)**
Meeting of November 7, 2017

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Executive Director

SUBJECT: Authorizing a Ground Lease Agreement and an Amended and Restated Loan Agreement, for an aggregate not to exceed $20,593,600, both with MB3E, L.P., a California limited partnership, an affiliate of Chinatown Community Development Center, and Swords to Plowshares for the development of 119 rental units (including one manager's unit) serving formerly homeless veterans and low-income families at Mission Bay South Block 3 East (1150 3rd Street), a project within the scope of the Mission Bay Final Subsequent Environmental Impact Report ("FSEIR"), a Program EIR, and is adequately described in the FSEIR for the purposes of the California Environmental Quality Act; Mission Bay South Redevelopment Project Area

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EXECUTIVE SUMMARY

Chinatown Community Development Center ("CCDC") and Swords to Plowshares ("Swords"), co-developers of a 119-unit affordable rental housing project ("Project") at 1150 3rd Street (Mission Bay South Block 3 East or "Block 3 East") are requesting approval for a long-term ground lease and a permanent loan of up to $20,593,600. The Project will serve low-income families and formerly homeless veterans. The requested funding amount is included in the approved Recognized Obligation Payment Schedule ("ROPS"), for the fiscal year beginning July 1, 2017 and ending June 30, 2018, as Item #394, which was approved by the California Department of Finance ("DOF").

The Project is located on one of the "Agency Affordable Housing Parcels" as defined in the Mission Bay South Owner Participation Agreement. The development team consists of CCDC, Swords, Leddy Maytum Stacy Architects, and CCDC Property Management, with social services provided by both CCDC and Swords. Together, CCDC and Swords are the Project's "Sponsors." The Sponsors have established MBS3E, L.P. as the development entity for the Project.

The Commission on Community Investment and Infrastructure ("OCII Commission") authorized an Exclusive Negotiations Agreement and a Predevelopment Loan Agreement in the amount of up to $2.5 million for the Project on February 16, 2016, and approved a schematic design and authorized an Option to Ground Lease Agreement on October 18, 2016.

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OCII accelerated the development of Block 3 East as a result of a $4.5 million donation from a group of donors organized by San Francisco Citizen's Initiative of Technology and Innovation ("sf.citi"), an organization committed to engaging technology sector leaders and workers to tackle community challenges in San Francisco. The group includes the Conway Family, Marc and Lynne Benioff, Peter Thiel, Sean Parker, Andrew Mason, Drew Houston, Alfred and Rebecca Lin, the Golden State Warriors, and two anonymous donors. The donation funded the $2.5 million of predevelopment expenses, and the remainder will be cover other project expenses that benefit the veterans.

In preparation for the close of construction financing and construction start, planned for December 2017, the Sponsors are seeking to enter into a 75-year Ground Lease ("Ground Lease") for Block 3 East (Attachment 1) and an Amended and Restated Loan Agreement (Attachment 2) in an aggregate amount not to exceed $20,593,600 (this amount is the total of the existing $2.5 million predevelopment loan and requested additional gap amount of $18,093,600). The loan request was approved by the Citywide Affordable Housing Loan Committee on June 23, 2017 (Attachment 3).

Staff recommends that the Commission authorize a Ground Lease Agreement and an Amended and Restated Loan Agreement, and adopt environmental findings pursuant to California Environmental Quality Act.

BACKGROUND

Mission Bay Affordable Housing Development

On September 17, 1998, the San Francisco Redevelopment Agency ("SFRA") Commission approved the Mission Bay North and South Redevelopment Plans and Owner Participation Agreements ("OPAs") with the Mission Bay master developer, FOCIL-MB, LLC, the successor in interest to Catellus Development Corporation. Since the initial approval of the South OPA, the document has been amended four times to modify the development plan on several parcels.

The enforcement of the North and South OPA's as amended will result in up to 6,514 residential units, with 1,916 units, or approximately 29% of the total, set aside as affordable. The affordable units are comprised of inclusionary affordable units and units developed by non-profit housing developers on OCII Affordable Housing Parcels. OCII Affordable Housing Parcels comprise 15 acres of land that the Master Developer in Mission Bay North and South is required to contribute to OCII. The Mission Bay South Redevelopment Plan (the "Plan") assigns Mission Bay South Block 3 East (1150 3rd Street) site a residential land use designation. Pursuant to the OPA and as each Affordable Housing Parcel is ready for development; the parcel will transfer to OCII for the development of affordable housing.

In Mission Bay North, 698 inclusionary and OCII-sponsored units have been completed.

In Mission Bay South, 350 affordable units have been completed to date. This includes 150 affordable rental units at 1180 4th Street (Block 13 East), which houses 100 low-income households and 50 formerly homeless families, and 588 Mission Bay Boulevard North (Block 7 West or "Five 88"), which was completed earlier this year and provides 200 affordable family rental units. Approximately 868 affordable units remain to be completed and leased in Mission Bay South, including the OCII-sponsored affordable rental units currently under construction at 626 Mission Bay Boulevard North (Block 6 East).

# of Affordable Units	Mission Bay North	Mission Bay South	Mission Bay North and South
Built	698	350	1,048
Under Construction or Planned	0	868*	868*
TOTAL	**698**	**1,218**	**1,916**

* *The MBS OPA requires OCII to construct a base number of 1,108 affordable housing units. In addition, Section 3.6 of the MBS Housing Program (Attachment 3 to the MBS OPA) allows for OCII to construct an additional 110 affordable housing units, pending assessment of the development impacts and any necessary approvals, for a maximum total of 1,218 affordable housing units.*

In total and as shown in the table above, 1,048 affordable units have been completed and approximately 868 units (including the additional 110 allowable affordable units) remain to be completed in the Mission Bay Project Area.

The Mission Bay Affordable Housing Policy ("Housing Policy") establishes that rental projects are affordable, on average, to households earning up to 60% of Area Median Income ("AMI"). As an example and based on 2017 figures, income for a family of four at 60% of the unadjusted AMI as published by the Mayor's Office of Housing and Community Development ("MOHCD") would be $69,200 per year with a monthly rent restricted to no more than $1,730 for a three-bedroom unit.

Pursuant to the OPA, FOCIL is required to submit its overall plans for development in "Major Phases" of one or more land use blocks, with each Major Phase consisting of the private development projects and related public infrastructure and open space improvements on these blocks. The Major Phase describes the program uses and architectural massing for each site, identifies Affordable Housing Parcels in the area, and confirms other site details such as circulation, access and associated open space. The SFRA Commission approved a Major Phase application for Blocks 2-7 and 13 in Mission Bay South on November 1, 2005, and later approved two amendments. The amendments, dated September 18, 2007 (Resolution No. 101-2007) and June 7, 2011 (Resolution No. 77-2011), adjusted the maximum unit count for the private residential parcels. These amendments to the Major Phase were also approved by the Oversight Board on June 11, 2012 (Resolution No. 7-2012) and the OCII Commission on January 1, 2014 (Resolution No. 6-2014).

Schematic designs for individual building projects can be submitted following the Major Phase approval and must be generally consistent with the Major Phase. The Major Phase confirms Block 3 East as an Affordable Housing Parcel. As allowed by the Plan and Major Phase, and pursuant to the Commission's approval of the Project's schematic design on October 18, 2016, OCII will allow the proposed 119 residential units (including one manager's unit) on the Site.

Project Background

The program for Block 3 was developed in response to President Obama's Mayors Challenge to End Veteran Homelessness as well as Mayor Lee's 10-year San Francisco Plan to Abolish Chronic Homelessness. OCII released a request for proposals ("RFP") for the Site in spring 2015. Following review and evaluation of three submittals, OCII selected the team led by the Sponsors to develop affordable rental housing for low-income families and formerly homeless veterans on Block 3 East. With approval from the OCII Commission, OCII entered into an Exclusive Negotiations Agreement and Predevelopment Loan Agreement with the Sponsors.

The schematic design for the Project was reviewed by the Mission Bay Citizens Advisory Committee ("CAC") in July 2016 and was conditionally approved by the OCII Commission in October 2016. The development team has responded to the schematic design conditions of approval. Project renderings and a site plan are included as Attachment 4. In addition, Mission Bay South neighborhood amenities are shown in Attachment 5.

On October 18, 2016, the Commission authorized the Executive Director to enter into an Option to Ground Lease Agreement with MB3E, L.P. (the "Developer") which set forth the terms and conditions for the ground lease. The Option to Ground Lease Agreement was required by the California Debt Limit Allocation Committee and Tax Credit Allocation Committee to demonstrate site control for Block 3 East.

Upon completion of the Project, OCII will transfer its assets related to the Site to the Mayor's Office of Housing and Community Development ("MOHCD"), which is the designated Housing Successor Agency under Dissolution Law.

Hamilton Family Center/sf.citi Donation

The $2.5 million predevelopment loan was funded by a donation from the Hamilton Family Center ("Hamilton"), a longstanding San Francisco non-profit organization that aims to end homelessness for families and individuals by providing a safe, stable environment that promotes the dignity of each person. The source of Hamilton's funds was the San Francisco Citizen's Initiative of Technology and Innovation ("sf.citi"), an organization committed to engaging technology sector leaders and workers to tackle community challenges in San Francisco.

Hamilton/sf.citi donated a total of $4.5 million toward the Project. The donation is comprised of contributions from the Conway Family, Marc and Lynne Benioff, Peter Thiel, Sean Parker, Andrew Mason, Drew Houston, Alfred and Rebecca Lin, the Golden State Warriors, and two anonymous donors.

This donation has allowed OCII to accelerate development of the Project. It fully capitalized OCII's predevelopment loan, which was used to finance the architectural design, engineering, site studies, and other activities required to ready the Project for construction start. In addition to accelerating this Project, the donation freed up OCII funds so that they could be dedicated to advancing other affordable housing projects. The remaining balance of approximately $2 million will fund construction and development costs that are not eligible for Low Income Housing Tax Credits.

DISCUSSION

Project Description

The Site is a 1.08-acre parcel bounded by Long Bridge Vara to the north, 3rd Street to the east, Mission Rock Street to the south, and Venue, a market-rate residential development, to the west on Block 3 West (see Attachment 5 for amenities and transit maps). The Project will contain 119 units (including 1 manager's unit), affordable to formerly homeless veterans and low-income families earning 30% to 60% of AMI. It is comprised of 12 studio units and 50 one-bedroom units for formerly homeless veterans; 5 one-bedroom units, 30 two-bedroom units, and 21 three-bedroom units for low-income families; and 1 two-bedroom manager's unit.

The building comprises approximately 124,000 square feet organized in three adjoining wings in a "u" shape that surround a two-level central courtyard. It will be built with four stories of wood framed construction over a one-story concrete podium, achieving a maximum height of 55 feet. Amenities include a large community room with a kitchen,

computer lab, teen community space, children's play space, services offices, on-site laundry, 72 secured bicycle spaces, and 25 off-street parking spaces in an enclosed garage.

Project Financing and Loan Terms

As previously noted, the OCII Commission approved a $2.5 million loan in February 2016 to fund predevelopment activities. On June 23, 2017, the Citywide Affordable Housing Loan Committee recommended approval of a total OCII subsidy amount of $20,593,600, which includes the $2.5 million in existing predevelopment funds as well as an additional $18,093,600 in permanent funding. The additional funds will partially finance construction of the Project, and will be used to leverage other financing sources. If approved, OCII and MBS3E, L.P., will enter into an Amended and Restated Loan Agreement ("Loan Agreement") with a term of 55 years, and an interest rate of up to 3%.

In addition to the OCII loan, the project is financed with investor equity raised from the sale of 4% Low-Income Housing Tax Credits, construction and permanent loans backed by tax-exempt bonds issued by the City, and low interest loans through the Federal Home Loan Bank Affordable Housing Program ("AHP") and State of California Veterans Housing and Homelessness Prevention Program ("VHHP"). The Project is the first in San Francisco to secure a VHHP award to fund affordable units for formerly homeless veterans. Funding sources and uses for the Project are summarized in the chart below:

Number of Units:	119
Bldg. Square Footage:	124,200
Bedroom Count	192

Permanent Sources	Amount	Per Unit	Per Bedroom	Per Square Foot
Limited Partner Equity	$29,966,016	$251,815	$156,073	$241
Tax-Exempt Perm Loan	$14,202,879	$119,352	$73,973	$114
VHHP	$10,000,000	$84,034	$52,083	$81
AHP	$1,500,000	$12,605	$7,813	$12
OCII Accrued / Deferred Interest	$1,043,107	$8,766	$5,433	$8
Owner Equity / Deferred Fee	$2,100,000	$17,647	$10,938	$17
Income from Operations	$828,025	$6,958	$4,313	$7
Subtotal of Non-OCII Sources	**$59,640,027**	**$501,177**	**$310,625**	**$480**
OCII Permanent Loan	**$20,593,600**	**$173,055**	**$107,258**	**$166**
Total Development Sources	**$80,233,627**	**$674,232**	**$417,883**	**$646**

Uses	Amount	Per Unit	Per Bedroom	Per Square Foot
Acquisition	$0	$0	$0	$0
Construction	$60,556,318	$508,877	$315,397	$488
Construction Contingency	$3,015,060	$25,337	$15,703	$24
Architecture/Engineering	$2,674,756	$22,477	$13,931	$22
Survey & Engineering	$283,000	$2,378	$1,474	$2
Financing Costs	$5,913,161	$49,690	$30,798	$48

Legal Costs	$205,000	$1,723	$1,068	$2
Other Soft Costs	$2,785,901	$23,411	$14,510	$22
Reserves	$1,245,431	$10,466	$6,487	$10
Syndication Costs	$55,000	$462	$286	$0
Developer Fee	$3,500,000	$29,412	$18,229	$28
Total Development Costs	**$80,233,627**	**$674,232**	**$417,883**	**$646**

Ground Lease Terms

OCII will take ownership of the Site from the Mission Bay South master developer, FOCIL, immediately prior to the close of construction financing and will maintain ownership through the construction period. The Sponsors are seeking to enter into a 75-year Ground Lease (with one option for an additional 24 years) with OCII. Once the Project is complete, the Site, along with the Ground Lease (and loan agreement) will be transferred to MOHCD as the Housing Successor Agency. MOHCD will perform long-term asset management and ensure compliance with Ground Lease and Loan Agreement terms. MBS3E, L.P. will maintain ownership of the building or "improvements". Key terms of the Ground Lease are described below.

Rent

The Ground Lease establishes an annual rent of $1,011,500, which is equal to 10% of the unrestricted value of the property. The annual rent consists of: 1) a base rent of $15,000, which is paid out of the project's annual operating expenses and accrues if not paid, and 2) a residual rent that is equal to the annual rent less the $15,000 base rent (a maximum of $996,500 per year). Residual rent is paid only if there is surplus cash after the Project pays all of its operating expenses, and does not accrue if it is not paid. MBS3E, L.P. will be required to start paying annual rent beginning in the year after the Project receives its final Certificate of Occupancy.

Affordability Restrictions

The units at Block 3 East will all be restricted to residents earning no more than 60% AMI. However, AMI targeting will vary based on the tenant type:

- Veterans units (62 units): veteran's units will target households earning up to 30% of MOHCD AMI. Households will contribute 30% of their monthly income toward rent.
    - Veterans Affairs Supportive Housing ("VASH") supported units (55 units): VASH project-based vouchers will cover the difference between the tenant's rent contribution and contract rent amount established annually by the United States Department of Housing and Urban Development.
    - City of San Francisco Local Operating Subsidy Program ("LOSP") supported units (7 units): LOSP will cover the difference between the cost to operate the unit and the tenant's rent contribution for the 7 veteran's units that are not covered by VASH vouchers.
- Family units (56 units): family units will target households earning up to 60% AMI. As an example (using 2017 income limits), the maximum income allowed for a four-person household earning up to 60% AMI is $69,200.

These affordability restrictions are consistent with the Mission Bay Housing Policy and will be administered in compliance with Fair Housing Law.

Construction of the Improvements

The Ground Lease requires that MBS3E, L.P., construct the Project in compliance with the approved construction documents and in accordance with an agreed-upon schedule of performance. The OCII Construction Specialist has reviewed the construction documents and will continue to monitor progress on the Project until completion. The Ground Lease requires OCII approval of any proposed changes to the construction plans after construction has commenced.

Marketing and Lease-Up

Occupancy Preferences and Resident Selection

Family Units 56 (48% of total)

Preferences for the low-income family housing units will be provided in the following order:

1. Certificate of Preference ("COP") Holders; then,
2. Ellis Act Housing Preference ("EAHP") or, if adopted by the OCII Commission, Displaced Tenant Housing Preference ("DTHP"), which would expand and supplant the EAHP. DTHP was adopted by the City and County of San Francisco in 2016; then,
3. San Francisco residents or San Francisco workers.
4. General Population.

Veterans Units 62 (52% of total)

Preferences for the veteran's units will be provided in the following order:

1. Formerly homeless veteran COP holders; then
2. Formerly homeless veterans; then
3. Very low-income veteran COP holders; then
4. Very low-income veterans.

Outreach and tenant referrals for the veteran's units will be administered by two entities: the VASH Operations Group, these referrals are centered on acute need; and, the San Francisco Department of Homelessness and Supportive Housing ("HSH"), these referrals are made based on a number of factors including the length of time homeless. All referrals are based on the source of the unit's operating subsidy. Swords will collaborate with both referral entities to ensure that prospective tenants meet the requirements of the building.

Marketing Process (Family Units Only)

The marketing process applies only to the family units. As previously noted, HSH and the San Francisco office of Veterans Affairs will refer households for the units set aside for formerly homeless veterans. OCII's required marketing process begins one month after construction start with an early outreach plan, which includes a minimum of four early outreach postcards to COP holders, as well as rent readiness workshops and counseling conducted through the Sponsors' selected housing agency. The marketing process culminates with an application phase

through the DAHLIA housing portal, and a lottery that takes place approximately three months before construction completion.

Equal Opportunity Program and Compliance with OCII Policies

The Sponsors will continue to comply with OCII's policies regarding, nondiscrimination in contracts, minimum compensation, and health care accountability. Throughout predevelopment, the Sponsors have worked closely with OCII contract compliance staff to comply with the Small Business Enterprise ("SBE") Program on this Project. As of October 2017, the Sponsors were close to meeting OCII's 50% SBE goal, having achieved approximately 48% SBE (34% SFSBE, 12% MBE and 15% WBE) for professional services consultants. A complete list of consultants is included as Attachment 6 and SBE consultant biographies for the five largest SBE contracts are included as Attachment 7.

The Sponsors are committed to meeting OCII requirements and goals during the construction phase of the Project, which include a 50% SBE construction subcontracting participation goal, payment of prevailing wages, and a 50% local construction workforce hiring goal. The Sponsors have selected Nibbi Brother General Contractor ("Nibbi") to serve as the general contractor for the construction of the Project, pending agreement on the fixed limit of construction costs expected in November 2017.

In an effort to stimulate greater small business, minority, and women contractor participation in the development and construction of the Project, staff has pursued opportunities with the Sponsors and Nibbi to encourage joint venture relationships at both the prime and subcontract level. The Sponsors and Nibbi have agreed and are cooperating with OCII to explore breaking out scopes of work for potential joint venture opportunities with local SBEs. Potential scopes include certain construction work, such as concrete and overall project management.

COMMUNITY PARTICIPATION

Community outreach for the project has been conducted primarily through the Mission Bay CAC. The Mission Bay CAC has received regular updates regarding the project since the issuance of the RFP and has participated in developer selection, program development, and schematic design review. The community has been enthusiastic in its support of the Project throughout the development process and the Mission Bay CAC was unanimous in its approval of the schematic design.

In addition to Mission Bay CAC meetings, public input opportunities have been provided at OCII Commission meetings in 2015 in 2016. The OCII Commission was unanimous in its approval of the predevelopment loan and exclusive negotiations agreement, and in its approval of the schematic design. While the OCII Commission has been fully supportive of the overall design and programming for the Project, Commissioners did raise concerns regarding the number of planned parking spaces. Sponsors and staff have highlighted that while the overall parking ratio for the Project is 0.21 parking spaces for every one dwelling unit, the parking ratio relative to the family units is 0.44 parking spaces for every one family dwelling unit. Furthermore, the Site is within close proximity to goods and services, and there are multiple transit options available to Mission Bay residents. Providing less than 1:1 parking in OCII developments in Mission Bay and elsewhere in the City has proved to meet demand adequately.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The Ground Lease and Amended and Restated Loan Agreement documents facilitate the development of the Project, which are Implementing Actions within the scope of the Mission Bay Project analyzed in the Final

Subsequent Environmental Impact Report for Mission Bay North and South ("FSEIR") and requires no further environmental review beyond the FSEIR pursuant to the State CEQA Guidelines Section 15180, 15162 and 15163 for the following reasons:

1. The Implementing Actions are consistent with the project analyzed in the FSEIR and do not require major revisions to the FSEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts; and,

2. No substantial changes have occurred with respect to the circumstances under which the "Mission Bay Project" analyzed in the FSEIR will be undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR; and,

3. No new information of substantial importance relating to the development of affordable housing on Block 3 East has become available, which would indicate that (i) the Block 3 East Project will have significant effects not discussed in the FSEIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible, which would reduce one or more significant effects, have become feasible; or (iv) mitigation measures or alternatives, which are considerably different from those in the FSEIR, will substantially reduce one or more significant effects on the environment that would change the conclusions set forth in the FSEIR.

NEXT STEPS

Construction financing is anticipated to close in December 2017, and construction will commence immediately after. Construction is scheduled to be complete by November 2019. Upon full occupancy of the Project, the land, Ground Lease, and Loan will be transferred to the Mayor's Office of Housing and Community Development as the Housing Successor Agency under Dissolution Law.

(Originated by Kim Obstfeld, Development Specialist)

Nadia Sesay
Executive Director

Attachments:
1. Ground Lease Agreement
2. Amended and Restated Loan Agreement
3. Loan Evaluation (June 23, 2017)
4. Schematic Design and Site Plan
5. Site and Amenities Maps
6. SBE Consultants
7. Consultant Biographies

GROUND PARCEL LEASE

MISSION BAY SOUTH BLOCK 3 EAST
(1150 3RD STREET)
AFFORDABLE PROJECT

by and between the

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE AS SUCCESSOR AGENCY TO THE SAN FRANCISCO REDEVELOPMENT AGENCY

as Landlord

AND

MB3E, L.P., A CALIFORNIA LIMITED PARTNERSHIP

as Tenant

Dated as of _____, 2017

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9. Rent Restrictions

GROUND LEASE

This GROUND LEASE (this "**Ground Lease**" or "**Lease**") is entered into as of _____, by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California (**"OCII"** or the **"Landlord"**), and MB3E, L.P., a California limited partnership (the **"Tenant"**).

RECITALS

A. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 et seq. the "CRL"), the former San Francisco Redevelopment Agency **("Former Agency"**) would undertake programs for the improvement of blighted areas in the City and County of San Francisco (the **"City"**).

B. In accordance with the CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project Area (the "Project Area") by Ordinance No. 335-98 adopted on November 2, 1998. The Redevelopment Plan is referred to as the "Mission Bay South Redevelopment Plan." In cooperation with the City, the Agency was responsible for implementing the Mission Bay South Redevelopment Plan.

C. The Mission Bay South Redevelopment Plan provides for the redevelopment, construction and revitalization of the area generally bounded by the China Basin Channel, Seventh and Mariposa Streets, and the San Francisco Bay and containing approximately 238 acres of land. The Mission Bay South Redevelopment Plan anticipates and describes a mixed-use development comprised of public open space, retail, commercial, entertainment uses, and parking and loading uses.

D. The Mission Bay South Owner Participation Agreement (the "OPA") between the Agency and FOCIL-MB, LLC (the "Master Developer") provides that the Master Developer will contribute land to the Agency, at no cost, for the development of affordable housing and the Agency will oversee the development of up to one thousand four hundred forty-five (1,445) affordable housing units in the Project Area.

E. On April 24, 2015, OCII issued a Housing Development Request for Proposals (the **"RFP"**) for the development and management of up to 101 rental units serving formerly homeless veterans and low-income families at the Site. OCII staff made extensive outreach efforts to attract submittals from qualified developers by the June 24, 2015 deadline. The RFP set forth specific submission requirements to be met in order for it to be fully reviewed by OCII staff. The RFP also set forth that OCII would seek to enter into an exclusive negotiations agreement for development rights on the Site.

F. OCII staff received three submittals, all of which met the minimum threshold requirements defined in the RFP. After a thorough review of the submittal, an interview with an interdisciplinary evaluation panel, and presentation to the Mission Bay Citizens Advisory Committee, the evaluation panel unanimously determined the development team lead by

Chinatown Community Development Center, Swords to Plowshares, and Leddy Maytum Stacy Architects had the strongest submittal and was well-suited to develop the Project. Accordingly, OCII and the Tenant executed an Exclusive Negotiations Agreement (the **"ENA"**) as of February 16, 2016.

G. To achieve improved economies of scale and financial feasibility, as well as an increased total unit count at the Site, the Developer requested and OCII staff approved the addition of up to 18 more affordable units. Thus, the Developer intends to construct on the Site one hundred nineteen (119) units (which includes one unrestricted manager's unit) of affordable rental housing serving formerly homeless veterans and low-income families, associated community and services spaces, and parking in an enclosed podium garage (collectively, the **"Improvements"**). The Improvements include all physical construction on the Site as further set forth in Design Development Documents for this Project approved April 2017. Design and construction of the Improvements shall be referred to herein as the **"Project."**

H. On February 1, 2012, the Former Agency was dissolved pursuant to the provisions of California State Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (**"AB 26"**), codified in relevant part in California's Health and Safety Code Sections 34161 – 34168 and upheld by the California Supreme Court in California Redevelopment Assoc. v. Matosantos, No. S194861 (Dec. 29, 2011). On June 27, 2012, AB 26 was subsequently amended in part by California State Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) ("AB 1484"). (Together, AB 26 and AB 1484 are referred to as the **"Dissolution Law."**) On December 7, 2015 the California Department of Finance approved OCII's Long-Range Property Management Plan, which provides for the disposition of the Agency parcels in the Mission Bay Redevelopment Project Area for the purposes of developing affordable housing. Accordingly, under Ordinance 215-12 and Dissolution Law, OCII has the obligation and authority to enter into this Agreement.

I. Pursuant to the Redevelopment Dissolution Law, all of the Former Agency's assets (other than housing assets) and obligations were transferred to OCII, along with completed non-housing assets as Successor to the Former Agency. The Former Agency's completed housing assets were transferred to the City, acting by and through the Mayor's Office of Housing and Community Development (**"MOHCD"**). The Redevelopment Plan, Development Controls, and other relevant Project Area documents remain in effect.

J. The Department of Finance subsequently approved OCII's Long-Range Property Management Plan on December 7, 2015 the California Department of Finance approved OCII's Long-Range Property Management Plan, which provides for the disposition of the Agency parcels in the Mission Bay Redevelopment Project Area for the purposes of developing affordable housing. Accordingly, under Ordinance 215-12 and Dissolution Law, OCII has the obligation and authority to enter into this Agreement.

K. Under the Redevelopment Dissolution Law, with approval from a successor agency's oversight board and the State of California's Department of Finance, a successor agency may continue to implement "enforceable obligations"—existing contracts, bonds, leases, etc.—which were in place prior to the suspension of redevelopment agencies' activities on June

28, 2011, the date that AB 26 was approved. Redevelopment Dissolution Law defines "enforceable obligations" to include bonds, loans, judgments or settlements, and any "legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy," (Cal. Health & Safety Code Section 34171(d)(1)(E)) as well as certain other obligations, including but not limited to requirements of state law and agreements made in reliance on pre-existing enforceable obligations. The Implementation Agreement, Pledge Agreement and Option Agreement meet the definition of "enforceable obligations" under the Redevelopment Dissolution Law.

L. AB 1484 authorizes successor agencies to enter into new agreements if they are "in compliance with an enforceable obligation that existed prior to June 28, 2011." Cal. Health & Safety Code § 34177.5 (a). Under this limited authority, a successor agency may enter into contracts, such as this Lease, if a pre-existing enforceable obligation requires that action. See also Cal. Health & Safety Code § 34167 (f) (providing that the Redevelopment Dissolution Law does not interfere with an agency's authority under enforceable obligations to "enforce existing covenants and obligations, or perform its obligation."). This Lease, providing a site for the development of affordable housing, is part of the Successor Agency's compliance with the pre-existing enforceable obligations under the Implementation Agreement and Option Agreement.

M. Pursuant to OCII Commission Resolution No. 9-2016, OCII entered into an Exclusive Negotiations Agreement, Option to Ground Lease Agreement, and provided predevelopment loan funds totaling **TWO MILLION FIVE HUNDRED THOUSAND and No/100 DOLLARS ($2,500,000.00**) to Tenant to fund certain costs related to the development of the Project the (**"OCII Predevelopment Loan"**).

N. Pursuant to Ordinance 215-12, Resolution No. 11-2012, the DOF "final and conclusive" determination, and Dissolution Law, OCII has the obligation and authority to provide the Funds for the Project.

O. On June 23, 2017, the Citywide Affordable Housing Loan Committee approved a loan to the Tenant for the development of the Project for an aggregate amount not to exceed **TWENTY MILLION FIVE HUNDRED NINETY-THREE THOUSAND SIX HUNDRED and 00/100 DOLLARS ($20,593,600.00)**, which includes the $2,500,000 OCII Predevelopment Loan.

P. On November 7, 2017, the OCII Commission approved an aggregate loan (the "OCII Loan") in the amount of [TWENTY MILLION NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($20,093,600.00) ("Funding Amount")].

Q. On November _____, 2017, the OCII Commission approved the OCII Loan through Resolution No. ___-2017.

R. Per the Mission Bay South Owner Participation Agreement ("OPA"), on or before _____, 2017, Mission Bay South Block 3 East will be transferred from the Mission Bay Development Group to OCII.

S. OCII now intends to lease Mission Bay South Block 3 East to Tenant in accordance with the terms of this Lease.

T. For purposes of implementation and to ensure consistency with the City's overall affordable housing goals and priorities, OCII has engaged MOHCD to provide additional services, including: construction monitoring, design review, and processing loan disbursements. Upon completion of the Project, OCII intends to transfer the affordable housing loan obligation, asset, and Ground Lease to MOHCD as the designated Successor Housing Agency of the City and County of San Francisco under Board Resolution 11-12, as required by Dissolution Law.

AGREEMENT

NOW THEREFORE, in consideration of the mutual obligations of the parties hereto, OCII hereby leases to Tenant, and Tenant hereby leases from OCII, the Site, for the term, and subject to the terms, covenants, agreements and conditions hereinafter set forth, to each and all of which OCII and Tenant hereby mutually agree.

ARTICLE 1: DEFINITIONS

Terms used herein have the meanings given them when first used or as set forth in this **Article 1**, unless the context clearly requires otherwise. All initially capitalized terms used but not defined in this Ground Lease are as defined in the Loan Documents.

1.01 "Administrative General Partner" means Swords-MB3E LLC, a California limited liability company.

1.02 "Agency" has the meaning set forth in Recital A.

1.03 "Area Median Income" (or "AMI") means the area median income as determined by the United States Department of Housing and Urban Development for the San Francisco Primary Metropolitan Statistical Area, adjusted solely for actual household size, and as published annually by MOHCD.

1.04 "Construction Documents" has the meaning given in **Section 10.01**.

1.05 "Conversion Date" means the date that the construction financing on the property converts to permanent financing.

1.06 "**Critical Activity(ies)"** means an activity or item of Work which, if delayed or extended, will delay Substantial Completion or the Final Completion Date.

1.07 "Effective Date" means the date on which the Memorandum of Lease is recorded in the Official Records of the County of San Francisco.

1.08 "First Mortgage Lender" means a bank or other entity holding the first deed of trust on the Leasehold Estate, and in the event of the bond financing, the bond trustee (if any)

and the entity purchasing the bonds shall both be First Mortgage Lender.

1.09 "First Lease Payment Year" means the Lease Year in which the project receives a Certificate of Occupancy for all residential units, which may be a full or partial Lease Year depending on the date of issuance of the Certificate of Occupancy.

1.10 "General Partners" means Tenant's general partners, including the Managing General Partner and the Administrative General Partner.

1.11 "Ground Lease" means this Ground Lease of the Site to the Tenant from OCII, as amended from time to time.

1.12 "Improvements" means all physical construction, including all structures, fixtures and other improvements to be constructed on the Site.

1.13 "HCD" means the California Department of Housing and Community Development.

1.14 "Investor Limited Partner" means Wells Fargo Affordable Housing Community Development Corporation, its successors and assigns.

1.15 "Lease Year" means each calendar year during the term hereof, beginning on January 1 and ending on December 31. Notwithstanding the foregoing the Lease Year may be calculated for a partial year at the end of the Term.

1.16 "Leasehold Estate" means the estate held by the Tenant pursuant to, and created by, this Ground Lease.

1.17 "Leasehold Mortgage" means any mortgage, deed of trust, trust indenture, letter of credit or other security instrument, including, but not limited to, the deeds of trust securing any Lender, and any assignment of the rents, issues and profits from the Site, or any portion thereof, which constitute a lien on the Leasehold Estate created by this Ground Lease and have been approved in writing by the Landlord.

1.18 "Lender" means any entity holding a Leasehold Mortgage.

1.19 "**Loan Documents**" means that certain Amended and Restated Loan Agreement, Note, Deed of Trust, Declaration of Restrictions, and any other documents executed or delivered in connection with the OCII Loan, all dated _____, 2017, as amended.

1.20 "Low Income Household" means a tenant household whose initial household income does not exceed sixty percent (60%) of median income, adjusted solely for actual household size and not adjusted for high cost as published in the document called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco" by MOHCD (or any successor thereto) on an annual basis. A tenant household shall cease being a Low Income Household if its subsequent

household income exceeds one hundred and twenty percent (120%) of median income based on actual household size.

1.21 "**Managing General Partner**" means CCDC-MB3E LLC, a California limited liability company, an affiliate of CCDC.

1.22 **"MOHCD"** shall have the meaning given in **Recital I**.

1.23 **"Occupant"** means any person or entity authorized by Tenant to occupy a residential unit on the Site, or any portion thereof.

1.24 **"OCII Loan"** has the meaning set forth in **Recital P**.

1.25 **"Partnership Agreement"** means the Amended and Restated Agreement of Limited Partnership of Tenant, by and among the Administrative General Partner, the Managing General Partner and the Investor Limited Partner.

1.26 **"Premises"** means the Site together with any Improvements thereon.

1.27 **"Project"** means the one hundred nineteen (119) units (including one unrestricted manager's unit) of affordable rental housing serving formerly homeless veterans and low-income families, associated community and services spaces, and parking in an enclosed podium garage. If indicated by context, "**Project"** means the leasehold interest in the Site and the fee interest in the Improvements on the Site.

1.28 **"Residential Units"** has the meaning given in **Section 9.02**.

1.29 **"Site"** means the real property shown in the Site Legal Description, **Attachment 1**.

1.30 **"Subsequent Owner"** means any successor (including a Lender or an affiliate or assignee of a Lender as applicable) to the Tenant's interest in the Leasehold Estate and the Improvements following a foreclosure, deed in lieu of foreclosure, or transfer to a Lender, its affiliate, and any successors to any such person or entity.

1.31 **"Tenant"** means MB3E, L.P., a California limited partnership, or its permitted successors as holder of the leasehold estate in the Site and fee ownership of the Improvements, including a Subsequent Owner, where appropriate.

Whenever an Attachment is referenced, it means an attachment to this Ground Lease unless otherwise specifically identified. Whenever a section, article or paragraph is referenced, it is a reference to this Ground Lease unless otherwise specifically referenced.

ARTICLE 2: TERM

(a) Initial Term. The term of this Ground Lease shall commence upon the Effective

Date (and Tenant shall be entitled to possession of the Site as of such date) and shall end seventy-five (75) years from that date (the "Initial Term"), unless extended pursuant to subsection (b) below.

(b) Option for Extension. Provided that the Tenant is not in default of the terms of its obligations to the City either at the time of giving of an Extension Notice, as described in subparagraph (c) below, or on the last day of the Initial Term (the "**Termination Date**"), the term of this Ground Lease may be extended at the option of the Tenant for one twenty-four (24) year period as provided below.

(c) Notice of Extension. Not later than one hundred eighty (180) days prior to the Termination Date, the Tenant may notify the Landlord in writing that it wishes to exercise its option to extend the term of this Ground Lease (an "**Extension Notice**"). The extended term shall be for twenty-four (24) years from the Termination Date, which option the Tenant may exercise only once, for a total Ground Lease term of not to exceed ninety-nine (99) years.

(d) Rent During Extended Term. Rent for any extended term will be as set forth in **Article 4**.

ARTICLE 3: FINANCING

Tenant shall submit to OCII in accordance with the dates specified in the Schedule of Performance, **Attachment 3**, for approval by OCII, evidence satisfactory to OCII that Tenant has sufficient equity capital and commitments for construction and permanent financing, and/or such other evidence of capacity to proceed with the construction of the Improvements in accordance with this Ground Lease, as is acceptable to the Executive Director of OCII. By execution of this Agreement, OCII hereby acknowledges and approves that Tenant has complied with the requirements set forth in this Article 3.

ARTICLE 4: RENT

4.01 Annual Rent

(a) Commencing in the First Lease Payment Year, Tenant shall pay OCII **ONE MILLION ELEVEN THOUSAND FIVE HUNDRED and 00/100 ($1,011,500.00)** per year for lease of the Site, consisting of Base Rent and Residual Rent, as defined in **Sections 4.02** and **4.03** below and subject to the provisions thereof, without offset of any kind and without necessity of demand, notice or invoice from the Landlord (together, "**Annual Rent**"). OCII has determined that this rent accurately reflects ten percent (10%) of the unrestricted appraised value of the Site. Annual Rent shall be redetermined on the fifteenth anniversary of the expiration of the First Lease Payment Year and every fifteen (15) years thereafter, and shall be equal to the greater of (i) **ONE MILLION ELEVEN THOUSAND FIVE HUNDRED and 00/100 ($1,011,500.00)** and (ii) ten percent (10%) of the appraised fair market value of the Site as determined by an MAI appraiser selected by and at the sole cost of Tenant, provided that, if during the term of this Lease (and regardless of whether or not a redetermination of Annual Rent is then required pursuant to this provision), Tenant fails to operate the Site in accordance with

the rent restrictions set forth in **Attachment 9** after expiration of the cure periods provided in this Lease and in addition to all remedies available to OCII in this Lease, including those in **Section 19.04**, OCII may require that the Annual Rent be redetermined within sixty (60) days after the expiration of such cure prior and every fifteen (15) years thereafter in an amount equal to ten percent (10%) of the unrestricted fair market value of the Site as determined by an MAI appraiser selected by and at the sole cost of Tenant (the "Redetermined Annual Rent"). Based on the appraised value, the Annual Rent shall be adjusted based on actual value.

(b) If the Tenant elects to extend the term of this Ground Lease beyond the Initial Term, Annual Rent during any such extended term shall be set by mutual agreement of the parties, taking into account the affordable housing restrictions contained in **Section 9.02**, project debt and the annual income expected to be generated by the Project. If the parties cannot agree on Annual Rent for the extended term, either party may invoke a neutral third-party process to set the Annual Rent at fair market rent in accordance with the then-prevailing practice for resolving similar rent determination disputes in San Francisco taking into account the affordable housing restrictions contained in **Section 9.02** or, in the event that there is no then-prevailing practice, in accordance with the rules of the American Arbitration Association. Provided, however, that after the neutral third party process, Tenant, in its sole discretion may rescind its extension notice if it does not wish to extend the term of this Ground Lease.

4.02 Base Rent

(a) "Base Rent", means, in any given Lease Year commencing with the First Lease Payment Year, **FIFTEEN THOUSAND DOLLARS and 00/100 ($15,000.00)**. Base Rent shall be due and payable in arrears on January 31st of each Lease Year; provided, however, Base Rent for the First Lease Payment Year shall be due on the January 31st of the following calendar year, and shall be equal to **FIFTEEN THOUSAND DOLLARS and 00/100 ($15,000.00)** times the number of days in the First Lease Payment Year, divided by three hundred sixty-five (365); and provided, further, that in the event that the Tenant (other than a Subsequent Owner) fails to comply with the provisions of **Section 9.02**, Base Rent shall be increased to the full amount of Annual Rent until such time as the Project achieves compliance with the provisions of **Section 9.02**, and in the event that a Subsequent Owner elects pursuant to **Section 26.06(ii)** to operate the Project without being subject to **Section 9.02** or any Subsequent Owner elects, pursuant to **Section 26.06(ii)**, to operate the Project without compliance with such provisions, Annual Rent shall be adjusted as provided in **Section 26.07**.

(b) "Project Income" means all income and receipts in any form received by Tenant from the operation of the Project, including rents, fees, deposits (other than tenant security deposits and insurance proceeds used to reconstruct the Project), and accrued interest disbursed from any reserve account required under this Ground Lease for a purpose other than that for which the reserve account was established, reimbursements and other charges paid to Tenant in connection with the Project. Project Income shall not include tenants' security deposits, loan proceeds, capital contributions or similar advances. Except as otherwise provided in **Section 26.07(a)**, if the Project does not have sufficient Project Income to pay Base Rent in any given Lease Year after the payment of Project Expenses in items (a) through (e) in definition of Project Expenses, below, and OCII has received written notice from Tenant regarding its inability to pay

Base Rent from Project Income, the unpaid amount shall be deferred and all such deferred amounts shall accrue without interest until paid ("**Base Rent Accrual**"). The Base Rent Accrual shall be due and payable each year, to the extent available from Surplus Cash in accordance with **Section 6.02(f)**.

(c) "Project Expenses" means the following costs, which may be paid from Project Income to the extent of available Project Income: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments and premiums for insurance required under this Ground Lease, the Loan Documents or by other lenders providing secured financing for the Project; (b) salaries, wages and any other compensation due and payable to the employees or agents of Tenant employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) required payments of interest and principal, if any, on the senior financing (which for purposes of this section means any financing which is senior to the OCII Loan) secured by Tenant's leasehold interest in the Site and the Improvements thereon, and used to finance the Project that has been approved by OCII; (d) all other expenses actually incurred to cover operating costs of the Project, including supportive services costs (if any), maintenance and repairs and the fee of any managing agent, each as indicated in the Annual Operating Budget as defined in the Loan Documents; (e) credit adjuster payments including interest; (f) required, and necessary, deposits to the Replacement Reserve Account, Operating Reserve Account, and any other reserve account required under the Loan Documents; (g) annual base rent payments under this Ground Lease in an amount equal to **FIFTEEN THOUSAND AND 00/100 DOLLARS ($15,000.00)**; (g) an initial issuer fee equal to [25] basis points on the total bond issuance or [$_____], an annual bond monitoring fee equal to the greater of [12.5] basis points on the outstanding bond amount or [$4,000] per year with no annual increases; (i) mandatory interest payment(s) payable to HCD for any loan made by HCD to Tenant for the Project; (j) annual asset management fees (other than management fees that are defined below as "Project Fees") indicated in the Annual Operating Budget and approved by MOHCD and OCII prior to the Effective Date, which, when combined with the annual partnership fee payable as a Project Fee, shall not exceed $39,500 plus any permitted annual increase; and (k) any extraordinary expenses approved in advance by OCII (other than expenses paid from any reserve account). Project Fees are not Project Expenses.

(d) "Project Fees" means an annual partnership management fee in the amount of $21,649, increasing by 2.0% annually, payable to the Tenant's Managing General Partner, and an annual investor services fee in the amount of $8,500, payable to Tenant's Investor Limited Partner (plus any increase shown in the Annual Operating Budget and approved by MOHCD and OCII), all as consistent with the City's Asset Management Fee & Partnership Management Policy. In no event shall such fees exceed the maximum amount permitted by the California Department of Housing and Community Development so long as it is a Lender.

(e) There shall be a late payment penalty of two percent (2%) for each month or any part thereof if Base Rent payment is delinquent. This penalty shall not apply to Base Rent Accrual pursuant to **Section 4.02(b)**. The Tenant may request in writing that OCII waive such penalties by describing the reasons for Tenant's failure to pay Base Rent and Tenant's proposed actions to insure that Base Rent will be paid in the future. OCII may, in its sole discretion, waive in writing all or a portion of such penalties if it finds that Tenant's failure to pay Base Rent was

beyond Tenant's control and that Tenant is diligently pursuing reasonable solutions to such failure to pay.

4.03 Residual Rent

"**Residual Rent**" means, in any given Lease Year commencing with the First Lease Payment Year, an amount equal to **NINE HUNDRED NINETY-SIX THOUSAND FIVE HUNDRED and 00/100 DOLLARS ($996,500.00)**, subject to adjustment as provided in **Sections 4.01(a) and (b)**. Residual Rent shall be due in arrears on or before June 1st of each Lease Year commencing with the First Lease Payment Year; provided however, Residual Rent for the First Lease Payment Year shall be due on the June 1st of the following calendar year, and shall be equal to an amount equal to **NINE HUNDRED NINETY-SIX THOUSAND FIVE HUNDRED and 00/100 DOLLARS ($996,500.00)** multiplied by the number of days in the First Lease Payment Year divided by three hundred sixty-five (365). Except as otherwise provided in **Section 26.07(a)(2)(C)**, Residual Rent for any year shall be payable only to the extent of Surplus Cash for such year as provided in **Section 6.02(f)**, and any unpaid Residual Rent due to insufficient Surplus Cash in any year shall not accrue, shall not be owed to Landlord, and shall not become payable from Surplus Cash in any subsequent years. However, in the event that Surplus Cash is insufficient to pay the full amount of the Residual Rent, Tenant shall certify to OCII in writing by April 15 that available Surplus Cash is insufficient to pay Residual Rent and Tenant shall provide to OCII any supporting documentation reasonably requested by OCII to allow OCII to verify the insufficiency.

4.04 Surplus Cash

"Surplus Cash" means all Project Income in any given Lease Year remaining after payment of Project Expenses and Project Fees. The amount of Surplus Cash will be based on figures contained in audited financial statements. Distributions of Surplus Cash shall not exceed the amount of unrestricted cash at the end of Tenant's fiscal year. All permitted uses and distributions of Surplus Cash shall be governed by **Section 6.02(f)** of this Ground Lease.

4.05 Triple Net Lease

This Ground Lease is a triple net lease and the Tenant shall be responsible to pay all costs, charges, taxes, impositions and other obligations related thereto. If OCII pays any such amounts, whether to cure a default or otherwise protect its interests hereunder, OCII will be entitled to be reimbursed by Tenant the full amount of such payments as additional rent within thirty (30) days of written demand by OCII. Failure to timely pay the additional rent shall be an Event of Default, subject to applicable notice and cure periods.

ARTICLE 5: OCII COVENANTS

OCII covenants and warrants that the Tenant and its subtenants shall have, hold and enjoy, during the lease term, peaceful, quiet and undisputed possession of the Site leased without hindrance or molestation by or from anyone so long as the Tenant is not in default under this Ground Lease. Landlord represents that it is lawfully acting as the successor public agency to

the Agency and is the fee simple owner of the Site. All necessary actions by any board of directors, managers, or other applicable persons necessary for the due authorization, execution, delivery and performance of this Ground Lease by the Landlord have been duly taken.

ARTICLE 6: TENANT COVENANTS

Tenant covenants and agrees for itself, and its successors and assigns to or of the Site, or any part thereof, that:

6.01 Limited Partnership/Authority

Tenant is a California limited partnership and has full rights, power and authority to enter into and perform its obligations under this Ground Lease.

6.02 Use of Site and Rents

During the term of this Ground Lease, Tenant and such successors and assigns shall comply with the following requirements:

(a) Permitted Uses

Except as provided in **Sections 26.06** and **26.08**, devote the Site to, exclusively and in accordance with, the uses specified in this Ground Lease, as specified in **Article 9** hereof, which are the only uses permitted by this Ground Lease.

(b) Non-Discrimination

Tenant shall not discriminate against or segregate any person or group of persons on account of race, color, creed, religion, ancestry, national origin, sex, gender identity, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the sale, lease, rental, sublease, transfer, use, occupancy, tenure or enjoyment of the Site or the Improvements, or any part thereof, nor shall Tenant itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of Occupants, subtenants or vendees on the Site or Improvements, or any part thereof, except to the extent permitted by law or required by funding source. Tenant shall not discriminate against tenants with certificates or vouchers under the Section 8 program or any successor rent subsidy program.

(c) Non-Discriminatory Advertising

All advertising (including signs) for sublease of the whole or any part of the Site shall include the legend "Equal Housing Opportunity" in type or lettering of easily legible size and design.

(d) Access for Disabled Persons

Comply with all applicable laws providing for access for persons with disabilities, including, but not limited to, the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973.

(e) Lead Based Paint

Tenant agrees to comply with the regulations issued by the Secretary of HUD set forth in 24 CFR Part 35 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in certain residential structures undergoing federally assisted construction and require the elimination of lead-based paint hazards.

(f) Permitted Uses of Surplus Cash

All annual Project Income shall be used to pay Project Expenses (including but not limited to Base Rent), and Project Fees. Any cash remaining after payment of each and all of the above-mentioned obligations shall be deemed Surplus Cash. Provided Tenant is not currently in default (subject to applicable notice and cure periods) under the terms of this Ground Lease, Tenant shall use Surplus Cash to make the following payments:

Tenant and OCII shall evenly divide and distribute the Surplus Cash amongst themselves until the earlier to occur of: (i) 15 years of operations from the date the Project achieves One Hundred Percent Occupancy or (ii) full payment of the Deferred Developer Fees. Thereafter, one-third (1/3) of Surplus Cash shall be distributed to the Tenant and the remaining two thirds (2/3) shall be distributed to OCII (**"OCII's Portion"**). OCII's Portion will be applied first to Accrued Base Rent, and then toward repayment of the outstanding OCII Loan until the entire principal and accrued but unpaid interest on the OCII Loan and repayment of outstanding principal and accrued and unpaid interest on any other debt payable from Surplus Cash until all amounts due and owing on such loans is repaid in full, and then payment of OCII's Portion shall go toward Residual Rent until paid in full in accordance with the terms of the Ground Lease. OCII's Portion of Surplus Cash shall be split on a pro-rata basis between OCII and HCD for so long as HCD is a lender in the Project. Deferred Developer Fees shall not be payable from OCII's Surplus Cash at any time.

Upon cure of any default under this Ground Lease, Tenant shall be permitted to make payments of Surplus Cash as provided in this **Section 6.02(f)**. Subject to the requirement for Tenant to pay Annual Rent to Landlord pursuant to the terms of this Ground Lease and provided that all other payment obligations under this Ground Lease have been met, Tenant shall have the exclusive right to deduct, claim, retain and enjoy any and all rental income appreciation, gain, depreciation, amortization and tax credits for federal and state tax purposes relating to all Improvements and any and all additions thereto, substitutions therefor, fixtures therein and other property relating thereto and Landlord shall treat Tenant as the tax owner of the Improvements for federal income tax purposes and shall not file any tax returns inconsistent with this treatment.

6.03 OCII Deemed Beneficiary of Covenants

In amplification, and not in restriction, of the provisions of the preceding subsections, it

is intended and agreed that OCII shall be deemed beneficiary of the agreements and covenants provided in this **Article 6**. Such agreements and covenants shall run in favor of OCII for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether OCII has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. OCII shall have the right, in the event of any breach of any such agreements or covenants, in each case, after notice and the expiration of cure periods, to exercise all the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach of covenants, to which it may be entitled.

ARTICLE 7: ANNUAL INCOME COMPUTATION AND CERTIFICATION

Forty-five (45) days after recordation of a Notice of Completion by the Tenant for the Project, and on May 31st of each year thereafter, Tenant will furnish to OCII a list of all of the names of the persons who are Occupants of the Improvements, the specific unit which each person occupies, the household income of the Occupants of each unit, based on an annual verification, the household size and the rent being charged to the Occupants of each unit, subject to all applicable local, state and federal laws limiting or restricting the disclosure of such information. If any state or federal agency requires an income certification for Occupants of the Improvements containing the above-referenced information, OCII agrees to accept such certification in lieu of Attachment 8 as meeting the requirements of this Ground Lease.

ARTICLE 8: CONDITION OF SITE - "AS IS"

Neither OCII, nor any employee, agent or representative of OCII has made any representation, warranty or covenant, expressed or implied, with respect to the Site, its physical condition, the condition of any improvements, any environmental laws or regulations, or any other matter, affecting the use, value, occupancy or enjoyment of the Site other than as set forth explicitly in this Ground Lease, and the Tenant understands and agrees that OCII is making no such representation, warranty or covenant, expressed or implied; it being expressly understood that the Site is being leased in an "AS IS" condition with respect to all matters.

ARTICLE 9: IMPROVEMENTS AND PERMITTED USES

9.01 Scope of Development and Schedule of Performance

Tenant agrees to undertake and complete all physical construction on the Site as approved by OCII, in accordance with the Schedule of Performance, Attachment 3, subject to force majeure.

9.02 Permitted Uses and Occupancy Restrictions

The permitted uses of the Project are limited to one hundred eighteen (118) residential dwelling units, plus one (1) manager's unit ("**Residential Units**"), and ground floor common areas. Upon the completion of construction, one hundred percent (100%) of the Residential Units, with the exception of the manager's unit, in the Project shall be occupied or held vacant

and available for rental by Low Income-Households. Rent levels shall comply with the rent levels established in **Attachment 12**.

9.03 Marketing

Early Outreach and marketing of the units shall comply with the early outreach and marketing requirements included as **Attachments I, S, T-1, T-2 and T-3** established in Article 6 "Marketing" in the Loan Agreement. Through the Loan Agreement and related attachments to the Loan Agreement, Tenant is required to submit a marketing plan to OCII and MOHCD that addresses how it intends to affirmatively market units in the Project to Certificate of Preference ("COP") holders and also requires that Tenant, either through one of MOHCD's Access to Housing counseling organizations, or on its own, conduct outreach to COP Holders, including making "support services staff available to provide assistance throughout the application process, as it may be needed, with the goal of maximizing COP... participation to the extent possible," and ensuring that COP holders, "are aware that such assistance is available" (COP Outreach Obligation). In addition to meeting these requirements, Tenant will also provide a report to the OCII Commission on its compliance with the COP Outreach Obligation at least three months prior to construction completion and prior to the initiation of any tenant selection process.

ARTICLE 10: CONSTRUCTION OF IMPROVEMENTS

10.01 General Requirements and Rights of City

Construction documents for the construction of the Improvements by Tenant (the "**Construction Documents**") shall be prepared by a person registered in and by the State of California to practice architecture and shall be in conformity with the Loan Documents and this Ground Lease, including any limitations established in OCII's approval of the schematic drawings, if any, preliminary construction documents, and final construction documents for the Project, and all applicable Federal, State and local laws and regulations. The architect shall use, as necessary, members of associated design professions, including engineers and landscape architects.

10.02 OCII Approvals and Limitation Thereof

The Construction Documents must be approved by OCII in the manner set forth below:

(a) Compliance with Redevelopment Plan and Ground Lease

OCII's approval with respect to the Construction Documents is limited to determination of their compliance with the Loan Documents and this Ground Lease, including, if applicable, the scope of development (these documents are for convenience sometimes called **"Redevelopment Requirements"**). The Construction Documents shall be subject to general architectural review and guidance by OCII as part of this review and approval process.

(b) OCII Does Not Approve Compliance with Construction Requirements

CII's approval is not directed to engineering or structural matters or compliance with building codes and regulations, the Americans with Disabilities Act, or any other applicable State or Federal law relating to construction standards or requirements.

(c) OCII Determination Final and Conclusive

OCII's determination respecting the compliance of the Construction Documents with Redevelopment Requirements shall be final and conclusive (except that it makes no determination and has no responsibility for the matters set forth in **Section 10.02(b)**, above).

10.03 Construction to be in Compliance with Construction Documents and Law

(a) Compliance with City Approved Documents

The construction shall be in substantial compliance with the OCII-approved Construction Documents.

(b) Compliance with Local, State and Federal Law

The construction shall be in strict compliance with all applicable local, State and Federal laws and regulations.

10.04 Approval of Construction Documents by OCII

Tenant shall submit and OCII shall approve or disapprove the Construction Documents referred to in this Ground Lease within the times established in the Schedule of Performance. Failure by OCII either to approve or disapprove within the times established in the Schedule of Performance shall entitle Tenant to a day-for-day extension of time for completion of any Critical Activities delayed as a direct result of Landlord's failure to timely approve or disapprove the Construction Documents.

10.05 Disapproval of Construction Documents by OCII

If OCII disapproves the Construction Documents in whole or in part as not being in compliance with Redevelopment Requirements or this Ground Lease, Tenant shall submit new or corrected plans which are in compliance within thirty (30) days after written notification to it of disapproval, and the provision of this section relating to approval, disapproval and re-submission of corrected Construction Documents shall continue to apply until the Construction Documents have been approved by OCII; provided, however, that in any event Tenant must submit satisfactory Construction Documents (i.e., approved by OCII) no later than the date specified therefor in the Schedule of Performance.

10.06 Closing Construction Documents to Be Approved by OCII

The final Construction Documents, including all drawings, specifications and other related documents necessary for the construction of the Improvements in accordance with the

requirements of this Ground Lease must be approved by OCII (the "Closing Construction Documents"). Notwithstanding anything to the contrary contained in this **Article 10**, OCII hereby acknowledges that the Construction Documents and the Closing Construction Documents were approved by OCII prior to the date of this Ground Lease.

10.07 Issuance of Building Permits

(a) Tenant shall have the sole responsibility for obtaining all necessary building permits and shall make application for such permits directly to the City's Department of Building Inspection. Tenant shall report permit status every thirty (30) days to OCII. Failure to timely file and to diligently pursue issuance of permits shall be a breach of this Ground Lease.

(b) The Tenant is advised that the Central Permit Bureau will forward all building permits to OCII for approval of compliance with Redevelopment Requirements. Since OCII's review of Construction Documents is limited (see **Section 10.02(a)**, above), its approval of compliance with Redevelopment Requirements is similarly limited and does not include **Section 10.02(b)** matters. City evidences such compliance by signing the permit and returning the permit to the Central Permit Bureau for issuance directly to the Tenant. Approval of any intermediate permit, however, is not approval of compliance with all Redevelopment Requirements necessary for a full and final building permit.

10.08 Performance and Payment Bonds

Prior to commencement of construction of the Improvements, and subject to the reasonable approval of OCII, Tenant shall deliver to OCII performance and payment bonds, each for the full value of the cost of construction of the Improvements, which bonds shall name, among other parties, OCII as co-obligee, or such other completion security which is acceptable to OCII.

10.09 OCII Approval of Changes after Commencement of Construction

Once construction has commenced, the only Construction Document matters subject to further review by OCII will be requests for any material changes in the Construction Documents which affect matters previously approved by OCII. For purposes of determining materiality in the Construction Documents, any single change order of TEN THOUSAND DOLLARS ($10,000.00) or more in value and any change order which causes the aggregate value of all change orders to exceed ONE HUNDRED THOUSAND DOLLARS ($100,000.00) shall be considered material and require OCII's prior written approval unless waived by OCII. Unless otherwise specified by OCII in writing, permission to make such changes shall be requested by Tenant in writing directed to the OCII Housing Manager (or to such other person as may be designated from time to time by OCII), and the MOHCD Construction Manager will provide written approval or disapproval of each change order within ten (10) calendar days of receipt of request therefor for items that do not impact the critical path of the construction schedule and within three (3) calendar days of receipt of request therefor for items that do impact the critical path of the construction schedule. If the request is disapproved, the reply must specify the reasons for the disapproval.

10.10 Times for Construction

Tenant agrees for itself, and its successors and assigns to or of the Leasehold Estate or any part thereof, that Tenant and such successors and assigns shall promptly begin and diligently prosecute to completion the redevelopment of the Site through the construction of the Improvements thereon, and that such construction shall in any event commence and thereafter diligently continue and shall be completed no later than the dates specified in the Schedule of Performance, unless such dates are extended by OCII, force majeure or Landlord's default.

10.11 Force Majeure

For the purposes of any of the provisions of this Ground Lease, neither OCII nor Tenant, as the case may be, shall be considered in breach or default of its obligations, nor shall there be deemed a failure to satisfy any conditions with respect to the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations or satisfaction of such conditions, due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, or of the public enemy, acts of the Government (excluding OCII, MOHCD and any City Department acting in its regulatory or legal capacity as related to discretionary acts related to the Project), acts of terrorism, earthquakes, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, general scarcity of materials and unusually severe weather or delays of subcontractors due to such causes; it being the purposes and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for the satisfaction of conditions to this Ground Lease including those with respect to construction of the Improvements, shall be extended for the period of the enforced delay; provided, however, that the party seeking the benefit of the provisions of this paragraph shall have notified the other party thereof in writing of the cause or causes thereof within thirty (30) days after the beginning of any such enforced delay and requested an extension for the period of the enforced delay; and, provided further, that this paragraph shall not apply to, and nothing contained in this paragraph shall extend or shall be construed to extend, the time of performance of any of Tenant's obligations to be performed prior to the commencement of construction, nor shall the failure to timely perform pre-commencement of construction obligations extend or be construed to extend Tenant's obligations to commence, prosecute and complete construction of the Improvements in the manner and at the times specified in this Ground Lease.

10.12 Reports

Subsequent to commencement of construction of the Improvements and until completion, Tenant shall make a report in writing to OCII every three (3) months, in such detail as may reasonably be required by OCII, as to the actual progress of the Tenant with respect to such construction. During such period, the work of the Tenant shall be subject to inspection by representatives of OCII, at reasonable times and upon reasonable advance notice.

10.13 Access to Site

Tenant shall permit access to the Site to OCII whenever and to the extent necessary to carry out the purposes of the provisions of this Ground Lease, at reasonable times and upon reasonable advance notice of no less than forty-eight (48) hours and subject to the rights of tenants under any applicable leases or subleases.

10.14 Notice of Completion

Promptly upon completion of the construction of the Improvements in accordance with the provisions of this Ground Lease, Tenant shall submit to OCII for approval a Notice of Completion ("**NOC**"), and record such approved NOC in the San Francisco Recorder's Office. Tenant shall provide OCII with a copy of the recorded NOC.

ARTICLE 11: COMPLETION OF IMPROVEMENTS

11.01 Certificate of Completion – Issuance

Promptly after completion of the construction of the Improvements in accordance with the provisions of this Ground Lease, and subsequent to the issuance of a Temporary Certificate of Occupancy, within fifteen (15) days following the request of Tenant, OCII will furnish Tenant with an appropriate instrument so certifying. Such certification by OCII shall be a conclusive determination of satisfaction and termination of the agreements and covenants of this Ground Lease with respect to the obligation of Tenant, and its successors and assigns, to construct the Improvements in accordance with approved Closing Construction Documents and the dates for the beginning and completion thereof; provided, however, that such certification and such determination shall not constitute evidence of compliance with, or satisfaction of, any obligation of Tenant to any Lender, or any insurer of a mortgage, securing money loaned to finance the construction or any part thereof; provided further, that OCII issuance of any Certificate of Completion does not relieve Tenant or any other person or entity from any and all OCII requirements or conditions to occupancy of the Improvements, which requirements or conditions must be complied with separately.

11.02 Certifications to be Recordable

All certifications provided for in this section shall be in such form as will enable them to be recorded with the Recorder of the City.

11.03 Certification of Completion - Non-Issuance Reasons

If OCII shall refuse or fail to provide any certification in accordance with the provisions of **Section 11.01**, OCII shall provide Tenant with a written statement, within fifteen (15) days after receipt of the original written request by Tenant, indicating in adequate detail in what respects Tenant has failed to complete the construction of the Improvements in accordance with the provisions of this Ground Lease or is otherwise in default hereunder and what measures or acts will be necessary, in the opinion of OCII, for Tenant to take or perform in order to obtain such certification.

ARTICLE 12: CHANGES TO THE IMPROVEMENTS

12.01 Post Completion Changes OCII has a particular interest in the Site and in the nature and extent of the permitted changes to the Improvements. Accordingly, it desires to and does hereby impose the following particular controls on the Site and on the Improvements: during the term of this Ground Lease, neither Tenant, nor any voluntary or involuntary successor or assign, shall make or permit any Change in the Improvements, as Change is hereinafter defined, unless the express prior written consent for any Change shall have been requested in writing from OCII and obtained, and, if obtained, upon such terms and conditions as OCII may reasonably require. OCII agrees not to withhold or delay its response to such a request unreasonably.

12.02 Definition of Change

"**Change**" as used in this Article means any material alteration, modification, addition and/or substitution of or to the Site, the Improvements, and/or the density of development which differs materially from that which existed upon the completion of construction of the Improvements in accordance with this Ground Lease, and shall include without limitation the exterior design, exterior materials and/or exterior color, and/or relocation or removal of either the control room, the transformer room, or both. For purposes of the foregoing, exterior shall mean and include the roof of the Improvements. Notwithstanding the foregoing, nothing in this **Section 12.02** shall be construed to restrict the Tenant's and its subtenants right to (i) make non-material interior modifications, including, without limitation, modifications to and substitutions of interior décor, or repairs to or replacements of fixtures, appliances and other equipment relating to the Site or Improvements in the normal course of operation and maintenance of the Premises as long as such replacements are of similar quality and provide the same level of service, or (ii) make or perform any repairs or modifications in an emergency situation in which a delay in such repairs or modifications could pose a safety hazard to tenants, the public, or adjoining property owners.

12.03 Enforcement

OCII shall have any and all remedies in law or equity (including without limitation restraining orders, injunctions and/or specific performance), judicial or administrative, to enforce the provisions of this **Article 12**, including without limitation any threatened breach thereof or any actual breach or violation thereof.

ARTICLE 13: TITLE TO IMPROVEMENTS

Fee title to any Improvements shall be vested in Tenant and shall remain vested in Tenant during the term of this Ground Lease, subject to **Section 14.01** below. Subject to the rights of any Lenders and as further consideration for OCII entering into this Ground Lease, at the expiration or earlier termination of this Ground Lease, fee title to all the Improvements shall vest in OCII without further action of any party, without any obligation by OCII to pay any compensation therefor to Tenant and without the necessity of a deed from Tenant to OCII.

ARTICLE 14: ASSIGNMENT, SUBLEASE OR OTHER CONVEYANCE

14.01 Assignment, Sublease or Other Conveyance by Tenant

Subject to **Article 26**, Tenant may not (i) sell, assign, convey, sublease, or transfer in any other mode or form all or any part of its interest in this Ground Lease or in the Improvements or any portion thereof, other than to Lender(s), or the Investor Limited Partner pursuant to a tax credit syndication or an OCII-approved re-syndication of the Project or allow any person or entity to occupy or use all or any part of the Site, other than leases to residential tenants in the ordinary course of business, or (ii) contract or agree to do any of the same, without the prior written approval of OCII, which approval shall not be unreasonably withheld or delayed. Tenant may sell, assign, convey, sublease or transfer its interests in this Ground Lease and in the Improvements to an affiliate of MB3E, L.P., a California limited partnership, or its successor in interest with thirty (30) days' prior written notice to OCII.

Landlord shall not unreasonably withhold or delay its approval of the removal or replacement of a General Partner by the Investor Limited Partner, pursuant to the terms of the Partnership Agreement. Notwithstanding the foregoing, Landlord's approval shall not be required for (a) transfer of the limited partner or non-managing member interests in Tenant or (b) the replacement of a General Partner by the Investor Limited Partner with the Investor Limited Partner or its affiliate (the **"Temporary Replacement General Partner"**). Tenant shall have a period of 180 days to replace Temporary Replacement General Partner with a 501(c)(3) tax-exempt nonprofit corporation or a wholly-owned subsidiary thereof, subject to Landlord's approval. If after 180 days, Tenant has made good faith efforts to secure a new 501(c)(3) tax-exempt nonprofit corporation (or a wholly-owned subsidiary thereof), as a replacement General Partner satisfactory to Landlord but Tenant requires additional time for the admission of a replacement General Partner, Landlord may approve an extension granting such additional time. Landlord's approval shall not be unreasonably withheld or delayed. Any other transfers of the General Partner's interest shall be subject to Landlord's approval which shall not be unreasonably withheld or delayed.

14.02 Assignment, Sublease or Other Conveyance by Landlord

The parties acknowledge that any sale, assignment, transfer or conveyance of all or any part of OCII's interest in the Site, the Improvements, or this Ground Lease, is subject to this Ground Lease. OCII will not encumber its fee interest in the Site. OCII will require that any purchaser, assignee or transferee expressly assume all of the obligations of OCII under this Ground Lease by a written instrument recordable in the Official Records of the City. This Ground Lease shall not be affected by any such sale, and Tenant shall attorn to any such purchaser or assignee. In the event that OCII intends to sell all or any part of the Site, OCII shall notify Tenant of the proposed terms of such sale not later than ninety (90) days before the anticipated close of escrow. Tenant shall have sixty (60) days from the giving of such notice to exercise a right of first refusal to purchase the Site on the same terms and conditions of such proposed sale.

ARTICLE 15: TAXES

Subject to any exemption available therefor, Tenant agrees to pay, or cause to be paid, prior to delinquency to the proper authority, any and all valid taxes, assessments and similar charges imposed on the Site during the term of this Ground Lease, including all taxes levied or assessed on the possession, use or occupancy, as distinguished from the ownership, of the Site, which shall be paid by Landlord. Tenant shall not be required to pay or discharge any taxes that are based on net or gross income (including any capital gain) or any value added, franchise, estate, inheritance, capital, doing business or similar taxes of the Landlord. Tenant shall not permit any such taxes, charges or other assessments to become a defaulted lien on the Site or the Improvements thereon; provided, however, that in the event any such tax, assessment or similar charge is payable in installments, Tenant may make, or cause to be made, payment in installments; and, provided further, that Tenant may contest the legal validity or the amount of any tax, assessment or similar charge, through such proceedings as Tenant considers necessary or appropriate, and Tenant may defer the payment thereof so long as the validity or amount thereof shall be contested by Tenant in good faith and without expense to OCII. In the event of any such contest, Tenant shall protect, defend and indemnify OCII against all loss, cost, expense or damage resulting therefrom, and should Tenant be unsuccessful in any such contest, Tenant shall forthwith pay, discharge, or cause to be paid or discharged, such tax, assessment or other similar charge. OCII shall furnish such information as Tenant shall reasonably request in connection with any such contest provided that such information is otherwise available to the public. OCII hereby consents to Tenant applying for and obtaining any applicable exemptions from taxes or assessments levied on the Site or on Tenant's interest in the Site.

Tenant shall have no obligation under this Section prior to the Effective Date, including but not limited to any taxes, assessments or other charges levied against the Property which are incurred prior to the Effective Date.

ARTICLE 16: UTILITIES

Tenant shall procure water and sewer service from the City and electricity, telephone, natural gas and any other utility service from the City or utility companies providing such services, and shall pay all connection and use charges imposed in connection with such services. As between OCII and Tenant, Tenant shall be responsible for the installation and maintenance of all facilities required in connection with such utility services to the extent not installed or maintained by the City or the utility providing such service. OCII shall join in the conveyance of grants of easement reasonably necessary for such utilities and the development of the Premises.

ARTICLE 17: MAINTENANCE

Tenant, at all times during the term hereof, shall maintain or cause to be maintained the Premises in good condition and repair to the reasonable satisfaction of OCII, including the exterior, interior, substructure and foundation of the Improvements and all fixtures, equipment and landscaping from time to time located on the Site or any part thereof. OCII shall not be obligated to make any repairs, replacements or renewals of any kind, nature or description whatsoever to the Site or any buildings or improvements now or hereafter located thereon.

ARTICLE 18: LIENS

Tenant shall use its best efforts to keep the Premises free from any liens arising out of any work performed or materials furnished by itself or its subtenants. In the event that Tenant shall not cause the same to be released of record or bonded around within twenty (20) business days following written notice from OCII of the imposition of any such lien, OCII shall have, in addition to all other remedies provided herein and by law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All sums paid by OCII for such purpose, and all reasonable expenses incurred by it in connection therewith, shall be payable to OCII by Tenant on demand; provided, however, Tenant shall have the right, upon posting of an adequate bond or other security, to contest any such lien, and OCII shall not seek to satisfy or discharge any such lien unless Tenant has failed so to do within ten (10) business days after the final determination of the validity thereof. In the event of any such contest, Tenant shall protect, defend, and indemnify OCII against all loss, cost, expense or damage resulting therefrom. The provisions of this Section shall not apply prior to the Effective Date or to any liens arising prior to the Effective Date.

ARTICLE 19: GENERAL REMEDIES

19.01 Application of Remedies

The provisions of this **Article 19** shall govern the parties' remedies for breach of this Ground Lease.

19.02 Notice and Cure Rights for Tenant Limited Partner

(a) OCII may not exercise its remedies under this Ground Lease for a default by the Tenant unless and until (i) OCII has given written notice of any such default, in accordance with the notice provisions of **Article 38**, to Tenant and the **"Permitted Limited Partner"** identified in **Article 38**, (which includes, without limitation, the Investor Limited Partner) and any other limited partners who have requested notice as set forth below (collectively, the "Permitted Limited Partners"), and (ii) such default has not been cured within sixty (60) days following the giving of such notice or, if such default cannot be cured within such sixty (60) day period, such longer period as is reasonably necessary to cure such default, provided that such cure has been commenced within such sixty (60) day period and is being prosecuted diligently to completion. If a Permitted Limited Partner cannot cure a default due to an automatic stay in bankruptcy court because a general partner of the Tenant is in bankruptcy, any cure period will be tolled during the pendency of such automatic stay.

(b) OCII will not exercise its remedy to terminate this Ground Lease if a Permitted Limited Partner is attempting to cure the default and such cure requires removal of a General Partner, so long as the Permitted Limited Partner is proceeding diligently to remove the defaulting General Partner in order to effect a cure of such default.

(c) Any limited partner, other than the limited partner identified in **Article 38**,

wishing to become a Permitted Limited Partner must provide five (5) days written notice to OCII in accordance with the notice provisions of this Ground Lease, setting forth a notice address and providing a copy of such notice to the Tenant and all of the Tenant's general partners. Such limited partner will become a Permitted Limited Partner upon the expiration of the five (5) day period. A limited partner will not be afforded the protections of this Section with respect to any default occurring prior to the time such limited partner becomes a Permitted Limited Partner.

19.03 Breach by OCII

If Tenant believes a material breach of this Ground Lease has occurred, Tenant shall first notify OCII in writing of the purported breach, giving OCII sixty (60) days from receipt of such notice to cure such breach. In the event OCII does not then cure or, if the breach is not reasonably susceptible to cure within that sixty (60) day period, begin to cure within sixty (60) days and thereafter diligently prosecute such cure to completion, then Tenant shall be afforded all of its rights at law or in equity by taking any or all of the following remedies: (i) terminating in writing this entire Ground Lease with the written consent of each Lender; (ii) prosecuting an action for damages; (iii) seeking specific performance of this Ground Lease; or (iv) any other remedy available at law or equity.

19.04 Breach by Tenant

(a) Default by Tenant

The following events, if not cured in the time periods set forth in **Section 19.04(b)** or this subparagraph (a) shall each constitute an "Event of Default" hereunder:

(1) Tenant fails to comply with the Permitted Uses and Occupancy Restrictions set forth in **Section 9.02**;

(2) Tenant voluntarily or involuntarily assigns, transfers or attempts to transfer or assign this Ground Lease or any rights in this Ground Lease, or in the Improvements, except as permitted by this Ground Lease;

(3) Tenant, or its successor in interest, shall fail to pay taxes or assessments in accordance with **Article 15**, or shall place on the Site any encumbrance or lien in violation of this Ground Lease, or shall suffer any levy or attachment to be made, or any material supplier's or mechanic's lien or any other encumbrance or lien to attach in violation of the terms of this Ground Lease, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged in accordance with the terms of this Ground Lease; provided, however, that Tenant shall have the right to contest any tax or assessment pursuant to **Article 15** and **Article 18** and, upon the posting of an adequate bond or other security, to contest any such lien or encumbrance. In the event of any such contest, Tenant shall protect, indemnify and hold OCII harmless against all losses and damages, including reasonable attorneys' fees and costs resulting therefrom;

(4) Tenant shall be adjudicated bankrupt or insolvent or shall make a transfer

in defraud of creditors, or make an assignment for the benefit of creditors, or bring or have brought against Tenant any action or proceeding of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event such proceedings are involuntary, Tenant is not dismissed from the same within ninety (90) days thereafter; or, a receiver is appointed for a substantial part of the assets of Tenant and such receiver is not discharged within ninety (90) days;

(5) Tenant breaches any other material provision of this Ground Lease;

(6) Tenant fails to pay any portion of Annual Rent when due in accordance with the terms and provisions of this Ground Lease.

(b) Notification and OCII Remedies

Upon the occurrence of any Event of Default, OCII shall notify Tenant, the Permitted Limited Partners, and each Lender in writing of the Tenant's purported breach, failure or act, giving Tenant sixty (60) days from receipt of such notice to cure such breach, failure or act. In the event Tenant, the Permitted Limited Partners or any Lender, consistent with Lender's rights to cure under **Section 26.03**, does not cure or, if the breach, failure or act is not reasonably susceptible to cure within that sixty (60) day period, begin to cure within sixty (60) days and thereafter diligently prosecute such cure to completion, then, subject to the rights of any Lender and subject to **Section 19.02** and **Article 26**, OCII thereafter shall be afforded all of its rights at law or in equity, including any or all of the following remedies: (1) terminating in writing this Ground Lease; (2) prosecuting an action for damages; or (3) seeking specific performance of this Ground Lease; or (4) in the case of an Event of Default under **Section 19.04(a)(1)**, increasing the Base Rent to the full amount of the Annual Rent.

(c) Limitation on OCII Remedies

Notwithstanding the various remedies of OCII pursuant to this **Section 19.04** or any other provision of this Ground Lease, OCII shall not have the right to terminate the Ground Lease during the "compliance period" (as defined in Section 42 of the Internal Revenue Code, as amended) of the Project.

ARTICLE 20: DAMAGE AND DESTRUCTION

20.01 Casualty

If the Improvements or any part thereof are damaged or destroyed by any cause covered by any policy of insurance required to be maintained by Tenant hereunder, Tenant shall promptly commence and diligently complete the restoration of the Improvements as nearly as possible to the condition thereof prior to such damage or destruction; provided, however, that if more than twenty five percent (25%) of the Improvements are destroyed or are so damaged by fire or other casualty and if the insurance proceeds do not provide at least ninety percent (90%) of the funds necessary to accomplish the restoration, Tenant, subject to any consent rights of Lender, if any, may terminate this Ground Lease within thirty (30) days after the later of (i) the date of such

damage or destruction, or (ii) the date on which Tenant is notified of the amount of insurance proceeds available for restoration. In the event Tenant is required, or elects, to restore the Improvements, all proceeds of any policy of insurance required to be maintained by Tenant under this Ground Lease shall, subject to the rights of Lenders, be used by Tenant for that purpose and Tenant shall make up from its own funds or obtain additional financing as reasonably approved by OCII any deficiency between the amount of insurance proceeds available for the work of restoration and the actual cost thereof. In the event Tenant elects to terminate this Ground Lease pursuant to its right to do so under this **Section 20.01**, or elects not to restore the Improvements, the insurance proceeds shall be divided among OCII, Tenant and any Lender in accordance with the provisions of **Section 20.02**. In the event Tenant is required or elects to restore the Improvements, the Tenant is hereby authorized and may enter into a settlement or consent to an adjustment of an insurance award, in its name and/or in the name of the Landlord, relating to such casualty, subject to any Lender's consent rights, if any.

20.02 Distribution of the Insurance Proceeds

In the event of an election by Tenant to terminate and surrender as provided in **Section 20.01**, the priority and manner for distribution of the proceeds of any insurance policy required to be maintained by Tenant hereunder shall be as follows:

(a) First to the Lenders, in order of their priority, to control, disburse or apply to any outstanding loan amounts in accordance with the terms their respective Leasehold Mortgages;

(b) Second, to pay for the cost of removal of all debris from the Site or adjacent and underlying property, and for the cost of any work or service required by any statute, law, ordinance, rule, regulation or order of any federal, state or local government, or any agency or official thereof, for the protection of persons or property from any risk, or for the abatement of any nuisance, created by or arising from the casualty or the damage or destruction caused thereby; and,

(c) The remainder to Tenant.

20.03 Clean Up of Housing Site

In the event the Tenant terminates this Ground Lease pursuant to the provisions of **Sections 20.01** and the proceeds of any insurance policy are insufficient to pay the clean-up and other costs described in **Section 20.02(b)**, Tenant shall have the obligation to pay the portion of such costs not covered by the insurance proceeds.

ARTICLE 21: DAMAGE TO PERSON OR PROPERTY; HAZARDOUS SUBSTANCES; INDEMNIFICATION

21.01 Damage to Person or Property -General Indemnification

OCII shall not in any event whatsoever be liable for any injury or damage to any person happening on or about the Site, for any injury or damage to the Premises, or to any property of

Tenant, or to any property of any other person, entity or association on or about the Site during the term of this Ground Lease. Tenant shall defend, hold harmless and indemnify the OCII, the City and their respective commissioners, officers, agents, and employees, of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description directly or indirectly arising from its tenancy, its use of the Site, and any of its operations activities thereon or connected thereto; provided, however, that this **Article 21** shall not be deemed or construed to and shall not impose an obligation to indemnify and save harmless OCII, the City or any of their commissioners, officers, agents or employees from any claim, loss, damage, liability or expense, of any nature whatsoever, arising from or in any way related to or connected with any willful misconduct or gross negligence by the person or entity seeking such indemnity.

21.02 Hazardous Substances – Indemnification

(a) Tenant shall indemnify, defend, and hold OCII, the City and their respective commissioners, officers, agents and employees (individually, an **"Indemnified Party"** and collectively, the **"Indemnified Parties"**) harmless from and against any and all losses, costs, claims, damages, liabilities, and causes of action of any nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel and engineering consultants) incurred by or asserted against any Indemnified Party in connection with, arising out of, in response to, or in any manner relating to (a) a violation of any Environmental Law occurring during the term of this Ground Lease caused by Tenant, its employees, agents, affiliates or contractors, or (b) any Tenant Environmental Condition (as defined herein below); provided, however, that this **Section 21.02(a)** shall not be deemed or construed to, and shall not impose an obligation on Tenant to indemnify and save harmless the Indemnified Parties from, any claim, loss, damage, liability or expense, of any nature whatsoever, arising from or in any way related to or connected with any willful misconduct or gross negligence by any Indemnified Party.

(b) Landlord shall indemnify, defend, and hold the Tenant and its successors, employees, affiliates, agents, representatives and contractors (individually, a **"Tenant Indemnified Party"** and collectively, the **"Tenant Indemnified Parties"**) harmless from and against any and all losses, costs, claims, damages, liabilities, and causes of action of any nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel and engineering consultants) incurred by or asserted against any Tenant Indemnified Party in connection with, arising out of, in response to, or in any manner relating to a violation of any Environmental Law or Release of Hazardous Substances at the Site first existing or occurring prior to the Effective Date.

(c) For purposes of this **Section 21.02**, the following definitions shall apply:

(i) **"Hazardous Substance"** shall have the meaning set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended as of the date of this Agreement, 42 U.S.C. §9601(14), and in addition shall include, without limitation, petroleum (including crude oil or any fraction thereof) and petroleum products, asbestos, asbestos-containing materials, polychlorinated biphenyls (**"PCBs"**), PCB-containing materials, all hazardous substances identified in the California Health & Safety Code §25316 and

§25281(d), all chemicals listed pursuant to the California Health & Safety Code §25249.8, and any substance deemed a hazardous substance, hazardous material, hazardous waste, or contaminant under Environmental Law. The foregoing definition shall not include substances which occur naturally on the Site at concentrations or levels naturally occurring on the Site or that are customarily used (in compliance with Environmental Laws) in apartment complexes or senior centers.

(ii) **"Environmental Law"** shall include all federal, state and local laws, regulations and ordinances governing hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Substance releases or reporting requirements, Hazardous Substance use or storage, and employee or community right-to-know requirements related to construction of the Improvements.

(iii) **"Release"** shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, including the abandonment or discharging of barrels, containers, and other closed receptacles containing any Hazardous Substance.

(iv) **"Tenant Environmental Condition"** shall mean the Release or threatened Release of Hazardous Substance and any condition of pollution, contamination or Hazardous-Substance-related nuisance at, on, under or from the Site which first exists or first occurs after the Effective Date and is caused by Tenant, or Tenant's employees, agents, affiliates or contractors.

ARTICLE 22: INSURANCE

22.01 Insurance

Subject to approval by the OCII's Risk Manager of the insurers and policy forms Tenant must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below throughout the Compliance Term of this Agreement at no expense to the OCII:

1. Tenant, Contractors.

(a) to the extent Tenant or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than **ONE MILLION and 00/100 DOLLARS ($1,000,000.00)** for bodily injury by accident and not less than **ONE MILLION and 00/100 DOLLARS ($1,000,000.00)** per person for each accident;

(b) commercial general liability insurance, with limits set forth below, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; broad form property damage; explosion, collapse and underground (XCU); products and completed operations, as follows:

(i) not less than **ONE MILLION and 00/100 DOLLARS ($1,000,000.00)** combined single limit per occurrence and **TWO MILLION and 00/100 DOLLARS ($2,000,000.00)** annual aggregate limit before the start of demolition/construction if the Site is unoccupied;

(ii) not less than **FIVE MILLION and 00/100 DOLLARS ($5,000,000.00)** combined single limit per occurrence and **TEN MILLION and 00/100 DOLLARS ($10,000,000.00)** annual aggregate limit during demolition/construction and occupancy of the Site/ongoing operations of the Site;

(c) business automobile liability insurance, with limits not less than **ONE MILLION and 00/100 DOLLARS ($1,000,000.00)** each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance for all architects employed in connection with the Site, with limits not less than **TWO MILLION and 00/100 DOLLARS ($2,000,000.00)**, and **FOUR MILLION and 00/100 DOLLARS ($4,000,000.00)** annual aggregate limit with respect to negligent acts, errors or omissions in connection with professional services to be provided in connection with the Site. Any deductible over **FIFTY THOUSAND and 00/100 DOLLARS ($50,000.00)** each claim must be reviewed by Risk Management.

(e) crime policy or fidelity bond covering Tenant's officers and employees against dishonesty with respect to the Funds, in the amount of **SEVENTY-FIVE THOUSAND and 00/100 DOLLARS ($75,000.00)** each loss, with any deductible not to exceed **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** each loss, including the OCII as additional obligee or loss payee.

(f) Pollution Liability and/or Asbestos Pollution Liability: Pollution Liability and/or Asbestos Pollution Liability applicable to the work being performed, with a limit no less than **ONE MILLION and 00/100 DOLLARS ($1,000,000.00)** per claim or occurrence and **TWO MILLION and 00/100 DOLLARS ($2,000,000.00)** aggregate per policy period of one year, this coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Tenant's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the Site.

2. Property Insurance. Tenant must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) during the course of any construction, builders' risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and OCII property in the care, custody and control of Tenant or its contractor, including coverage in transit and storage off-site, with a deductible not to exceed **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** each loss, including the OCII and all subcontractors as loss payees;

(b) after completion of construction, property insurance, special form coverage, excluding earthquake and flood, but including vandalism and malicious mischief, for one hundred percent (100%) of the replacement value of all furnishings, fixtures, equipment, improvements, alterations and property of every kind located on or appurtenant to the Site, including coverage for loss of rental income due to an insured peril for twelve (12) months, with a deductible not to exceed **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** each loss, including the OCII as a named insured;

(c) boiler and machinery insurance, comprehensive form, in the amount of replacement value of all insurable objects, with any deductible not to exceed **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** each loss, including the OCII as a named insured; and

(d) during construction and/or rehabilitation, performance and payment bonds of contractors, each in the amount of one hundred percent (100%) of contract amounts, naming the OCII and Tenant as dual obligees, or other completion security approved by the OCII in its reasonable discretion. The OCII has approved issuance of a Completion Guaranty by an affiliate of Tenant to Tenant's institutional lender as completion security.

3. INTENTIONALLY DELETED

4. General Requirements.

(a) General and automobile liability policies of Tenant, contractors, commercial tenants and property managers must include the OCII, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the OCII.

(b) All policies required by this Agreement must, if available, be endorsed to provide no less than thirty (30) days' written notice to the OCII before cancellation or intended non-renewal is effective.

(c) With respect to any property insurance, Tenant hereby waives all rights of subrogation against the OCII to the extent of any loss covered by Tenant's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Tenant's insurance by the OCII will not relieve or decrease the liability of Tenant under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the OCII and its officers, agents and employees will not be liable for any required premium.

(f) The OCII reserves the right to require an increase in insurance coverage in the event the OCII determines that conditions show cause for an increase, unless Tenant demonstrates to the OCII's satisfaction that the increased coverage is commercially unreasonable and unavailable to Tenant.

(g) All liability policies must provide that the insurance is primary to any other

insurance available to the additional insureds with respect to claims arising out of this Ground Lease, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Tenant must provide the OCII with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

ARTICLE 23: COMPLIANCE WITH LEGAL REQUIREMENTS

Tenant shall at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, insofar as any thereof relates to or affects the condition, use or occupancy of the Site. In the event Tenant contests any of the foregoing, Tenant shall not be obligated to comply therewith to the extent that the application of the contested law, statute, ordinance, rule, regulation or requirement is stayed by the operation of law or administrative or judicial order and Tenant indemnifies OCII against all loss, cost, expense or damage resulting from noncompliance.

ARTICLE 24: ENTRY

OCII and its authorized agents shall have the right at all reasonable times during normal business hours and after forty-eight (48) hours written notice to Tenant (except in the event of an emergency when no written notice is required) and subject to the rights of tenants under leases or subleases of the Premises, to go on the Site for the purpose of inspecting the same or for the purpose of posting notices of nonresponsibility, or for police or fire protection.

ARTICLE 25: MORTGAGE FINANCING

25.01 No Encumbrances Except for Development or Refinancing Purposes

Notwithstanding any other provision of this Ground Lease and subject to the prior written consent of OCII, which consent shall not be unreasonably withheld or delayed, Leasehold Mortgages (and encumbrances related to such Leasehold Mortgages or required by Project lenders, equity investors or HUD, including, but not limited to use agreements and regulatory agreements) are permitted to be placed upon the Leasehold Estate only for the purpose of securing loans of funds to be used for: (i) financing the acquisition, design, renovation, reconstruction, or construction of the Improvements; (ii) refinancing; and (iii) any other expenditures reasonably necessary and appropriate to acquire, own, develop, construct, renovate, or reconstruct the Improvements under this Ground Lease and in connection with the operation of the Improvements, and costs and expenses incurred or to be incurred by Tenant in furtherance of the purposes of this Ground Lease. Landlord approves (i) OCII as a Lender and the deed of trust securing the OCII Loan is deemed an approved Leasehold Mortgage, and (ii) the City and County of San Francisco, and its assignee _____ as trustee for _____, as the bond purchaser and the loan secured by the construction and permanent Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing of even date herewith, is deemed an approved Leasehold Mortgage.

25.02 Holder Not Obligated to Construct

The holder of any mortgage, deed of trust or other security interest authorized by **Section 25.01** (**"Holder"** or **"Lender"**), including the successors or assigns of such Holder, is not obligated to complete any construction of the Improvements or to guarantee such completion; nor shall any covenant or any other provision of this Ground Lease be construed so to obligate such Holder. However, in the event the Holder does undertake to complete or guarantee the completion of the construction of the Improvements, subject to **Section 26.06(ii)**, nothing in this Ground Lease shall be deemed or construed to permit or authorize any such Holder or its successors or assigns to devote the Site or any portion thereof to any uses, or to construct any Improvements thereon, other than those uses or Improvements authorized under **Section 9.02**. To the extent any Holder or its successors in interest wish to change such uses or construct different improvements, subject to **Section 26.06(ii)**, that Holder or its successors in interest must obtain the written consent of OCII; provided, however, in such event Holder or any Subsequent Owner shall negotiate in good faith revisions to the approved plans, specifications and Schedule of Performance to the extent necessary or desirable to preserve the economic and practical feasibility of the Project.

25.03 Failure of Holder to Complete Construction

In any case where six (6) months, or any longer agreed upon period, after assumption of obligations pursuant to **Section 25.02** above, a Lender, having first exercised its option to complete the construction, has not proceeded diligently with the resumption or preparatory activities in order to complete construction, OCII shall be afforded the rights against such Holder it would otherwise have against Tenant under this Ground Lease for events or failures occurring after such assumption.

25.04 Default by Tenant and OCII's Rights

(a) Right of OCII to Cure a Default or Breach by Tenant under a Leasehold Mortgage

In the event of an Event of Default or breach by Tenant in or of its obligations under any Leasehold Mortgage, and Tenant's failure to timely commence or diligently prosecute cure of such default or breach in accordance with **Section 19.02**, Landlord may, at its option, and subject to the rights of each Lender under **Article 26**, cure such breach or default at any time prior to one hundred nineteen (119) days after the date on which the Lender files a notice of default. In such event, OCII shall be entitled to reimbursement from Tenant of all costs and expenses reasonably incurred by OCII in curing the default or breach. OCII shall also be entitled to a lien upon the Leasehold Estate or any portion thereof to the extent of such costs and disbursements. Any such lien shall be subject to the lien of any then existing Leasehold Mortgage authorized by this Ground Lease, including any lien contemplated because of advances yet to be made. After ninety (90) days following the date of Lender filing a notice of default and expiration of all applicable cure periods of Tenant under the terms of the applicable loan documents, if such default shall remain uncured, or if Tenant shall not have begun prosecution of such cure, OCII shall also have the right to assign Tenant's interest in the Ground Lease to another entity, subject to each Lender's and Permitted Limited Partner's written consent, but which consent may be conditioned, among other things, upon the assumption by such other entity of all obligations of the Tenant under the Leasehold Mortgages.

(b) Notice of Default to OCII

Tenant shall use commercially reasonable efforts to require Lender to give OCII prompt written notice of any such default or breach and each Leasehold Mortgage shall so provide and shall also contain the OCII's right to cure as above set forth.

25.05 Cost of Mortgage Loans to be Paid by Tenant

Tenant covenants and affirms that it shall bear all of the costs and expenses in connection with (i) the preparation and securing of any Leasehold Mortgage, (ii) the delivery of any instruments and documents and their filing and recording, if required, and (iii) all taxes and charges payable in connection with any Leasehold Mortgage.

ARTICLE 26: PROTECTION OF LENDER

26.01 Notification to OCII

Promptly upon the creation of any Leasehold Mortgage and as a condition precedent to the existence of any of the rights set forth in this **Article 26**, each Lender shall give written notice to the OCII of the Lender's address and of the existence and nature of its Leasehold Mortgage. The address of the initial Lenders' address is set forth in **Article 38** hereof. Execution of **Attachment 11** shall constitute OCII's acknowledgement of Lender's having given such notice as is required to obtain the rights and protections of a Lender under this Ground Lease. OCII hereby acknowledges that the First Mortgage Lender and OCII are deemed to have given such written Notice.

26.02 Lender's Rights to Prevent Termination

Each Lender shall have the right, but not the obligation, at any time prior to termination of this Ground Lease, subject to the rights of each Lender under this **Article 26** and without payment of any penalty other than the interest on unpaid rent, to pay all of the rents due hereunder, to effect any insurance, to pay any taxes and assessments, to make any repairs and improvements, to do any other act or thing required of Tenant hereunder, and to do any act or thing which may be necessary and proper to be done in the performance and observance of the agreements, covenants and conditions hereof to prevent a termination of this Ground Lease to the same effect as if the same had been made, done and performed by Tenant instead of by Lender.

26.03 Lender's Rights When Tenant Defaults

Should any Event of Default under this Ground Lease occur, and not be cured within the applicable cure period, as provided in **Section 19.04(b)**, OCII shall not terminate this Ground Lease nor exercise any other remedy hereunder unless it first gives written notice of such event of default to Lender and:

(i) If such event of default is a failure to pay a monetary obligation of Tenant, Lender shall have failed to cure such default within sixty (60) days from the date of written notice from the OCII to Lender; or

(ii) If such event of default is not a failure to pay a monetary obligation of Tenant, Lender shall have failed, within one hundred eighty (180) days of receipt of said written notice, either (a) to remedy such default; or (b) to obtain title to Tenant's interest in the Site in lieu of foreclosure; or (c) to commence foreclosure or other appropriate proceedings in the nature thereof (including the appointment of a receiver) and thereafter diligently prosecute such proceedings to completion, in which case such event of default shall be remedied or deemed remedied in accordance with **Article 26.04** below.

All rights of OCII to terminate this Ground Lease as the result of the occurrence of any such Event of Default shall be subject to, and conditioned upon, OCII having first given Lender written notice of such Event of Default and Lender having failed to remedy such default or acquire Tenant's Leasehold Estate created hereby or commence foreclosure or other appropriate proceedings in the nature thereof as set forth in, and within the time specified by, this **Section 26.03**, and upon the Permitted Limited Partners having failed to proceed as permitted under **Sections 19.02(b)** or **26.06(iv)**.

26.04 Default Which Cannot Be Remedied by Lender

Any Event of Default under this Ground Lease which in the nature thereof cannot be remedied by Lender (including all amounts due from Tenant to Landlord in respect to damages, indemnifications or other monetary amounts, other than Annual Rent, arising from the action or inactions of Tenant) shall be deemed to be remedied if (i) within one hundred eighty (180) days after receiving notice from the OCII setting forth the nature of such Event of Default, or prior thereto, Lender shall have acquired Tenant's Leasehold Estate created hereby or shall have

commenced foreclosure or other appropriate proceedings in the nature thereof, (ii) Lender shall diligently prosecute any such proceedings to completion, (iii) Lender shall have fully cured any Event of Default arising from failure to pay or perform any monetary obligation in accordance with the terms of **Section 26.03(i)**, and (iv) after gaining possession of the Improvements, Lender, or its designee, shall diligently proceed to perform all other obligations of Tenant as and when the same are due in accordance with the terms of this Ground Lease.

26.05 Court Action Preventing Lender's Action

If Lender is prohibited by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Tenant from commencing or prosecuting foreclosure or other appropriate proceedings in the nature thereof, the times specified in **Sections 26.03** and **26.04** above for commencing or prosecuting such foreclosure or other proceedings shall be extended for the period of such prohibition. If this Ground Lease is terminated or rejected by Tenant in bankruptcy, OCII agrees to enter into a new Ground Lease with the Lender, or its designee, on the same terms set forth in this Ground Lease. And specifically provided that in the event the Lease is terminated for any reason, including, without limitation, a termination or rejection through any bankruptcy proceeding or a foreclosure transferee becomes the legal owner of Tenant's interest in the Property, and upon written request by the most senior Lender or the Subsequent Owner thereof given within sixty (60) days after such termination or acquisition by Subsequent Owner of Tenant's interest in the Project, as applicable, Landlord shall enter into a new lease of the Project (the "New Lease") with such Lender or the Subsequent Owner for the remainder of the Lease term with the same agreements, covenants, reversionary interests and conditions (except for any requirements which have been fulfilled by Tenant prior to termination) as are contained in the Lease and the New Lease shall be recorded with a priority equal to the recording priority of the Lease.

26.06 Lender's Rights to Record, Foreclose and Assign

OCII hereby agrees with respect to any Leasehold Mortgage, that

(i) OCII's consent shall not be required for the exercise or enforcement by Lender of any of its rights or remedies under any Leasehold Mortgage, including, without limitation, any foreclosure or similar proceeding or action against the Leasehold Estate. Lender or its assignee or a third party nominee or designee (or the assignee of the third party nominee or designee who acquired the property through foreclosure or by deed in lieu of foreclosure) (each a "Subsequent Owner") may acquire Tenant's interest in this Lease and the Site by foreclosure, deed in lieu of foreclosure or other appropriate proceedings in the nature thereof, or as a result of any other action or remedy provided for by any Leasehold Mortgage or by conveyance from Tenant. The Lender may cause same to be recorded and enforced, and upon foreclosure, sell and assign the Leasehold Estate created hereby to an assignee from whom it may accept a purchase price; provided however that: (a) except with respect to affiliates of a Lender, Lender obtains prior written approval from OCII with respect to the selection of the assignee, which approval shall not be unreasonably withheld; and (b) if the proposed assignee intends to elect to maintain the use restrictions of **Section 9.02**, said assignee must be controlled by a California nonprofit public

benefit corporation exempt from tax under Section 501(c)(3) of the Internal Revenue Code such that the Premises would, if leased by such entity, receive an exemption from state property taxes as provided under Section 214 of the California Revenue and Taxation Code. Lender, furthermore, may acquire title to the Leasehold Estate in any lawful way, and if the Lender, or an affiliate, shall become the assignee, may sell and assign said Leasehold Estate subject to OCII approval as to the assignee or purchaser, which shall not be unreasonably withheld or delayed, and to the OCII's rights under **Article 25**; and

(ii) each Subsequent Owner shall take the Leasehold Estate subject to all of the provisions of this Ground Lease, and shall, so long as and only so long as it shall be the owner of such estate, except as provided elsewhere in this Ground Lease, assume all of the obligations of Tenant under this Ground Lease; provided, however, the Subsequent Owner may operate and maintain the Residential Units without any limitations on the rents charged or the income of the occupants thereof, subject to any applicable regulatory agreement, restrictive covenant or other encumbrance.

(iii) OCII shall mail or deliver to any Lender which has an outstanding Leasehold Mortgage a duplicate copy of all notices which OCII may from time to time give to Tenant pursuant to this Ground Lease.

(iv) any Permitted Limited Partners of Tenant shall have the same rights as any Lender under **Sections 26.02, 26.03, 26.04 and 26.06 (iii)**, and any reference to a Lender in said section shall be deemed to include such limited partners; provided, however, that the rights of such limited partners shall be subordinate to the rights of any Lender.

26.07 Ground Lease Rent after Lender Foreclosure or Assignment

Upon foreclosure of a Leasehold Mortgage or assignment of the Leasehold Estate in lieu of such foreclosure, (i) any accrued Annual Rent that remains unpaid at the time of such foreclosure or assignment in lieu of foreclosure shall be forgiven by OCII, and shall not be an obligation of the Lender or any other Subsequent Owner, and (ii) Annual Rent shall be set as follows:

(a) For so long as the Project is operated in accordance with the use and occupancy restrictions of **Section 9.02**, the following shall apply:

(1) The obligations of any Subsequent Owner other than a Lender for payment of Annual Rent shall be as set forth for other Tenants in **Article 4**;

(2) The obligations for payment of Annual Rent of a Lender (or the affiliate of a Lender) who acquires the Leasehold Estate as a result of foreclosure of a Leasehold Mortgage or assignment of the Leasehold Estate in lieu of such foreclosure shall be as follows:

(A) For 180 days after foreclosure of a Leasehold Mortgage or assignment of the Leasehold Estate in lieu of such foreclosure, the obligations for payment of Annual Rent of the Lender (or such affiliate) shall be as set forth for other Tenants in **Article 4**;

(B) If, within 180 days after foreclosure of a Leasehold Mortgage or assignment of the Leasehold Estate in lieu of such foreclosure: (1) the Lender (or such affiliate) identifies as a potential assignee of the Leasehold Estate an entity that is controlled by, or includes a partner or member which is, a California nonprofit public benefit corporation that is exempt from tax under Section 501(c)(3) of the Internal Revenue Code such that the Leasehold Estate would, if leased by such entity, receive an exemption from state property taxes as provided under Section 214 of the California Revenue and Taxation Code, (2) OCII has approved such entity (which approval shall not be unreasonably withheld or delayed), and (3) Lender (or its affiliate) is engaged, diligently and in good faith, in negotiations with such entity for assignment of the Leasehold Estate, then, if requested by Lender, the obligations for payment of Annual Rent of the Lender (or such affiliate) shall continue to be as set forth for other Tenants in **Article 4** for an additional 60 days after the end of the 180-day period set forth in **26.07(a)(2)(A)** above;

(C) From and after the date that Lender (or its affiliate) no longer qualifies under paragraph (A) or paragraph (B) of this Section **26.07(a)(2)**, but continues to operate the Project subject to the use and occupancy restrictions of **Section 9.02**, Base Rent shall accrue without regard to the amount of Surplus Cash and shall be payable by Lender (or such affiliate) in arrears on each April 15; provided, however, that payment of Base Rent thus accrued may, at the option of the Lender (or such affiliate), be deferred, with simple interest at six percent (6%) per annum until paid, until the first to occur of (x) assignment of the Leasehold Estate to a Subsequent Owner or (y) the date that is sixty days after cessation of operation of the Project in accordance with the use and occupancy restrictions of **Section 9.02**. If the Lender or Subsequent Owner exercises its rights under **Section 26.06(ii)** to operate the Project without being subject to **Section 9.02**, Annual Rent shall be set at the then fair market rental value of the Site, and the Base Rent shall be increased to the new fair market rent pursuant to this **Section 26.07(b)** and the provisions of **Section 6.02(f)** shall be suspended; provided, however, that the OCII shall be entitled to reduce Annual Rent by any dollar amount (but not below zero) in its sole discretion and, in such case, the Subsequent Owner will be required to reduce the aggregate rent charged to tenants on a dollar for dollar basis, with respect to such aggregate units occupied by Low Income Households as OCII and the Subsequent Owner shall agree. Lender or Subsequent Owner also has the option to voluntarily agree to affordability restrictions less strict than those set forth in **Section 9.02**. In such event, the Base Rent shall not be increased but the Annual Rent shall be set at the fair market rental value of the Site based on the agreed upon affordability restrictions and the Base Rent and Residual Rent shall continue to be eligible for deferral pursuant to **Article 4** hereof. The fair market rental value shall be determined by a jointly-commissioned appraisal (instructions prepared jointly by the Lender or Subsequent Owner and OCII, with each party paying one half of the appraiser's fee) that will include a market land valuation, as well as a market land lease rent level. Absent a market land lease rent determination, the Annual Rent will be set at an amount equal to ten percent (10%) of the then appraised market land value. If the parties cannot agree on the joint appraisal instructions, either party may invoke a neutral third-party process to set the Annual Rent at fair market rent in accordance with the then-prevailing practice for resolving similar rent determination disputes in San Francisco or, in the event that there is no then-prevailing practice, in accordance with the rules of the American Arbitration Association. Provided, however, that after the neutral third

party process, the Lender or Subsequent Owner, in its sole discretion may rescind its written notification of intent to not comply with **Section 9.02** of this Ground Lease.

26.08 Permitted Uses after Lender Foreclosure

Notwithstanding the above, in the event of a foreclosure and transfer to a Subsequent Owner, the Project shall be operated in accordance with the uses specified in the schematic design, preliminary construction documents, final construction documents, and the building permit with all addenda, as approved by the Landlord.

26.09 Preservation of Leasehold Benefits

Until such time as a Lender notifies the Landlord in writing that the obligations of the Tenant under its loan documents have been satisfied, OCII agrees:

(a) That the Landlord shall not voluntarily cancel or surrender this Ground Lease, or accept a voluntary cancellation or surrender of this Ground Lease by Tenant, or materially amend this Ground Lease to increase the obligations of the Tenant or the rights of OCII thereunder, without the prior written consent of the Permitted Limited Partner and each Lender (which will not be unreasonably withheld or delayed);

(b) That OCII shall not enforce against a Lender any waiver or election made by the Tenant under this Ground Lease which has a material adverse effect on the value of the Leasehold Estate under this Ground Lease without the prior written consent of the Lender (which will not be unreasonably withheld or delayed);

(c) That, if a Lender makes written request for the same within sixty (60) days after Lender receives written notice of termination of this Ground Lease, OCII will enter a new lease with such Lender commencing on the date of termination of the Ground Lease and ending on the normal expiration date of the Ground Lease, on substantially the same terms and conditions as the Ground Lease and subject to the rent provisions set forth in **Section 26.07**, and with the same priority as against any subleases or other interests in the Premises; provided that such Lender cures all unpaid monetary defaults under the Ground Lease through the date of such termination;

(d) That OCII shall provide reasonable prior notice to each Lender of any proceedings for adjustment or adjudication of any insurance or condemnation claim involving the Premises and will permit each Lender to participate therein as an interested party.

26.10 No Merger

The Leasehold Estate in the Site pursuant to this Ground Lease shall not merge with the fee interest in the Improvements, notwithstanding ownership of the leasehold and the fee by the same person, without the prior written consent of each Lender.

26.11 OCII Bankruptcy

(a) If a bankruptcy proceeding is filed by or against OCII, OCII shall immediately notify Tenant and each Lender of such filing and shall deliver a copy of all notices, pleadings, schedules, and similar materials regarding the bankruptcy proceedings to each Lender.

(b) OCII acknowledges that (i) the Tenant seeks to construct improvements on the Site using proceeds of the loans provided by the Lenders, and (ii) it would be unfair to both the Tenant and the Lenders to sell the Site free and clear of the leasehold. Therefore, OCII waives its right to sell the OCII's fee interest in the Site pursuant to section 363(f) of the Bankruptcy Code, free and clear of the leasehold interest under this Ground Lease.

(c) If a bankruptcy proceeding is filed by or on behalf of OCII, OCII agrees as follows: (i) the Tenant shall be presumed to have objected to any attempt by OCII to sell the fee interest free and clear of the leasehold under this Ground Lease; (ii) if Tenant does not so object, each Lender shall have the right to so object on its own behalf or on behalf of the Tenant; and (iii) in connection with any such sale, the Tenant shall not be deemed to have received adequate protection under section 363(e) of the Bankruptcy Code, unless it shall have received and paid over to each Lender outstanding balance of the obligations under its respective loan.

(d) OCII recognizes that the Lenders are authorized on behalf of the Tenant to vote, participate in or consent to any bankruptcy, insolvency, receivership or court proceeding concerning the leasehold interest under this Ground Lease.

26.12 Two or More Lenders

Any Leasehold Mortgages permitted hereunder may consist of two (2) or more separate loans or other financing arrangements from two (2) or more Lenders. In the event two (2) or more Lenders each exercise their rights under this Lease and there is a conflict that renders it impossible to comply with all requests of the Lenders, the Lender whose Leasehold Mortgage would have senior priority in the event of a foreclosure shall prevail.

ARTICLE 27: CONDEMNATION AND TAKINGS

27.01 Parties' Rights and Obligations to be Governed by Agreement

If, during the term of this Ground Lease, there is any condemnation of all or any part of the Site or any interest in the Leasehold Estate is taken by condemnation, the rights and obligations of the parties shall be determined pursuant to this **Article 27**, subject to the rights of any Lender.

27.02 Total Taking

If the Site is totally taken by condemnation, this Ground Lease shall terminate on the date the condemnor has the right to possession of the Site.

27.03 Partial Taking

If any portion of the Site is taken by condemnation, this Ground Lease shall remain in effect, except that Tenant may, with Lender's written consent, elect to terminate this Ground Lease if, in Tenant's reasonable judgment, the remaining portion of the Improvements is rendered unsuitable for Tenant's continued use of the Site. If Tenant elects to terminate this Ground Lease, Tenant must exercise its right to terminate pursuant to this paragraph by giving notice to OCII within thirty (30) days after the OCII (or any other governmental entity) notifies Tenant of the nature and the extent of the taking. If Tenant elects to terminate this Ground Lease as provided in this **Section 27.03**, Tenant also shall notify OCII of the date of termination, which date shall not be earlier than thirty (30) days nor later than six (6) months after Tenant has notified OCII of its election to terminate; except that this Ground Lease shall terminate on the date the condemnor has the right to possession of the Site if such date falls on a date before the date of termination as designated by Tenant. If Tenant does not terminate this Ground Lease within such thirty (30) day notice period, this Ground Lease shall continue in full force and effect.

27.04 Effect on Rent

If any portion of the Improvements is taken by condemnation and this Ground Lease remains in full force and effect, then on the date of taking the rent shall be equitably abated.

27.05 Restoration of Improvements

If there is a partial taking of the Improvements and this Ground Lease remains in full force and effect pursuant to **Section 27.03**, Tenant may, subject to the terms of each Leasehold Mortgage, use the proceeds of the taking to accomplish all necessary restoration to the Improvements.

27.06 Award and Distribution

Any compensation awarded, paid or received on a total or partial condemnation of the Site or threat of condemnation of the Site shall belong to and be distributed in the following order:

(a) First, to the extent required by a Lender in accordance with its loan documents, to pay the balance due on any outstanding Leasehold Mortgages and other outstanding or unpaid obligations and/or liabilities, including but not limited to, trade accounts, taxes, payroll accruals and lease residuals, to the extent provided therein;

(b) Second, to the Tenant in an amount equal to the fair market value of Tenant's interest in the Improvements and its leasehold interest in the Site (including, but not limited to, the value of Tenant's interest in all subleases to occupants of the Site), such value to be determined as it existed immediately preceding the earliest taking or threat of taking of the Site; and

(c) Third, to the Landlord.

27.07 Payment to Lenders

In the event the Improvements are subject to the lien of a Leasehold Mortgage on the date when any compensation resulting from a condemnation or threatened condemnation is to be paid to Tenant, such award shall be disposed of as provided in the Lender's loan documents.

ARTICLE 28: ESTOPPEL CERTIFICATE

OCII or Tenant, as the case may be, shall execute, acknowledge and deliver to the other and/or to Lender or Permitted Limited Partner, promptly (but not more than ten days) upon request, its certificate certifying (a) that this Ground Lease is unmodified and in full force and effect (or, if there have been modifications, that this Ground Lease is in full force and effect, as modified, and stating the modifications), (b) the dates, if any, to which rent and all other amounts due hereunder has been paid, (c) whether there are then existing any charges, offsets or defenses against the enforcement by OCII or Tenant to be performed or observed and, if so, specifying the same, and (d) whether there are then existing any defaults by Tenant or OCII in the performance or observance by Tenant or OCII of any agreement, covenant or condition hereof on the part of Tenant or OCII to be performed or observed and whether any notice has been given to Tenant or OCII of any default which has not been cured and, if so, specifying the same, and (e) such other information as may be reasonably requested by Tenant or any Lender.

ARTICLE 29: QUITCLAIM

Upon expiration or sooner termination of this Ground Lease, Tenant shall surrender the Site to OCII and, at OCII's request, shall execute, acknowledge, and deliver to OCII a good and sufficient quitclaim deed with respect to any interest of Tenant in the Site. Title to the Improvements shall vest automatically in OCII as provided in **Article 13** herein.

ARTICLE 30: EQUAL OPPORTUNITY

Tenant agrees to comply with OCII's Equal Opportunity Program as described in **Attachment 5** and will submit all documents required pursuant to the policies included in **Attachment 5**.

ARTICLE 31: OCII LABOR STANDARDS PROVISIONS

California Labor Code Section 1720 et seq. requires payment of prevailing wages for developments paid for in whole or in part out of public funds. Although the Parties acknowledge that the development of the Project is a private work of improvement, Tenant further acknowledges that the Project may be subject to Labor Code requirements. Tenant agrees to pay or cause to be paid prevailing rates of wages in accordance with the requirements set forth in Attachment 5-3 and to comply with applicable provisions of the Labor Code.

ARTICLE 32: OCII MINIMUM COMPENSATION AND HEALTH CARE ACCOUNTABILITY POLICY

OCII finds that it has a significant proprietary interest in the public parcel that is being leased to the Tenant pursuant to this Ground Lease. Tenant agrees that the Tenant and its

subtenants, if any, will comply with the applicable provisions of the OCII's Minimum Compensation Policy (**"MCP"**), **Attachment 5-5**, and Health Care Accountability Policy (**"HCAP"**), **Attachment 5-6**, adopted by Agency Resolution No. 168-2001 on September 25, 2001, as these policies may be amended from time to time (jointly, "Policies"). Notwithstanding this requirement, the Parties recognize that the residential housing component of the Improvements is not subject to the Policies, but leasing and operations of the Non-residential Space is subject to the Policies.

ARTICLE 33: CONFLICT OF INTEREST

No commissioner, official, or employee of OCII shall have any personal or financial interest, direct or indirect, in this Ground Lease, nor shall any such commissioner, official, or employee participate in any decision relating to this Ground Lease which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested.

ARTICLE 34: NO PERSONAL LIABILITY

No commissioner, official, or employee of OCII shall be personally liable to Tenant or any successor in interest in the event of any default or breach by OCII or for any amount which may become due to Tenant or its successors or on any obligations under the terms of this Ground Lease. No partner of Tenant shall be personally liable to Landlord or any successor in interest in the event of any default or breach by Tenant or for any amount which may become due to Landlord or its successors or on any obligations under the terms of this Ground Lease.

ARTICLE 35: ENERGY CONSERVATION

Tenant agrees that it will use its best efforts to maximize provision of, and incorporation of, both energy conservation techniques and systems and improved waste-handling methodology in the construction of the Improvements.

ARTICLE 36: WAIVER

The waiver by OCII or Tenant of any term, covenant, agreement or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition herein contained, nor shall any custom or practice which may grow up between the parties in the administration of the terms hereof be construed to waive or to lessen the right of OCII or Tenant to insist upon the performance by the other in strict accordance with the said terms. The subsequent acceptance of rent or any other sum of money hereunder by OCII shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, agreement or condition of this Ground Lease, other than the failure of Tenant to pay the particular rent or other sum so accepted, regardless of OCII's knowledge of such preceding breach at the time of acceptance of such rent or other sum.

ARTICLE 37: TENANT RECORDS

Upon reasonable notice during normal business hours, and as often as OCII may deem necessary, there shall be made available to OCII and its authorized representatives for examination all records, reports, data and information made or kept by Tenant regarding its activities or operations on the Site. Nothing contained herein shall entitle OCII to inspect personal histories of residents or lists of donors or supporters. To the extent that it is permitted by law to do so, OCII will respect the confidentiality requirements of Tenant in regard to the lists furnished by Tenant pursuant to **Article 7** hereof, of the names of occupants of the residential portion of the Site. OCII's rights pursuant to the preceding provisions of this **Article 38** shall be subject in all respects to applicable local, state and federal laws restricting the disclosure of such information.

ARTICLE 38: NOTICES AND CONSENTS

All notices, demands, consents or approvals which may be or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when delivered in person to such representatives of Tenant and OCII as shall from time to time be designated by the parties for the receipt of notices, or upon receipt when sent by express delivery service with a delivery receipt and addressed

To OCII:	Office of Community Investment and Infrastructure Successor Agency to the San Francisco Redevelopment Agency 1 South Van Ness, 5th Floor San Francisco, CA 94103 Attn: Executive Director
With a copy to:	Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, 5th Floor San Francisco, CA 94103 Attn: Director
To Tenant:	MB3E, L.P. c/o Chinatown Community Development Center, Inc. Housing Development 1515 Vallejo Street, 4th Floor San Francisco, CA 94109 Attn: Executive Director With a copy to: Swords – MB3E LLC Swords to Plowshares 1060 Howard Street San Francisco, CA 94103 Attn: Executive Director
To Investor Limited Partner:	Wells Fargo Affordable Housing Community Development

Corporation
MAC #D1053-170
301 South College Street
Charlotte, North Carolina 28288-0170
Attention: Director of Tax Credit Asset Management

With a copy to: Sidley Austin LLP
One South Dearborn Street
Chicago, IL 60603
Attention: Philip C. Spahn

To First Mortgage Lender: Wells Fargo Bank, National Association
MAC #A0119-177
333 Market Street, 17th Floor
San Francisco, CA 94105

With a copy to: California Community Reinvestment Corporation
100 West Broadway, Suite 1000
Glendale, CA 91210
Attn: President

or to such other address with respect to either party as that party may from time to time designate by notice to the other given pursuant to the provisions of this **Article 38**. Any notice given pursuant to this **Article 38** shall be effective on the date of delivery or the date delivery is refused as shown on the delivery receipt. For purposes of this **Article 38** and **Article 19.02**, the Investor Limited Partner shall include any successors and/or assigns of Wells Fargo Affordable Housing Community Development Corporation that is an affiliate of the Investor Limited Partner, each of which shall be deemed a "Permitted Limited Partner".

ARTICLE 39: COMPLETE AGREEMENT

There are no oral agreements between Tenant and OCII affecting this Ground Lease, and this Ground Lease supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings between Tenant and OCII with respect to the lease of the Site.

ARTICLE 40: HEADINGS

Any titles of the several parts and sections of this Ground Lease are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions. "Paragraph" and "section" may be used interchangeably.

ARTICLE 41: SUCCESSORS AND ASSIGNS

This Ground Lease shall be binding upon and inure to the benefit of the successors and assigns of OCII and Tenant and where the term "Tenant" or "OCII" is used in this Ground Lease,

it shall mean and include their respective successors and assigns; provided, however, that OCII shall have no obligation under this Ground Lease to, nor shall any benefit of this Ground Lease accrue to, any unapproved successor or assign of Tenant where OCII approval of a successor or assign is required by this Ground Lease.

ARTICLE 42: TIME OF THE ESSENCE.

Time is of the essence in the enforcement of the terms and conditions of this Ground Lease.

ARTICLE 43: PARTIAL INVALIDITY

If any provisions of this Ground Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Ground Lease and all such other provisions shall remain in full force and effect.

ARTICLE 44: APPLICABLE LAW

This Ground Lease shall be governed by and construed pursuant to the laws of the State of California.

ARTICLE 45: ATTORNEYS' FEES

If either of the parties hereto commences a lawsuit to enforce any of the terms of this Ground Lease, the prevailing party will have the right to recover its reasonable attorneys' fees and costs of suit, including fees and costs on appeal, from the other party.

ARTICLE 46: EXECUTION IN COUNTERPARTS

This Ground Lease and any memorandum hereof may be executed in counterparts, each of which shall be considered an original, and all of which shall constitute one and the same instrument.

ARTICLE 47: RECORDATION OF MEMORANDUM OF GROUND LEASE

This Ground Lease shall not be recorded, but a memorandum of this Ground Lease shall be recorded. The parties shall execute the memorandum in form and substance as required by a title insurance company insuring Tenant's leasehold estate or the interest of any Leasehold Mortgagee, and sufficient to give constructive notice of the Ground Lease to subsequent purchasers and mortgagees. The form of memorandum of Ground Lease is attached hereto as **Attachment 2**.

ARTICLE 48: ASSIGNMENT

OCII and Tenant hereby acknowledge and agree that, effective upon the date of issuance of the Certificate of Completion, or some later date as determined by OCII, all of OCII's rights,

interests and obligations under this Ground Lease shall be assigned to MOHCD pursuant to Dissolution Law. OCII and Tenant hereby agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this **Article 48**. Upon assignment to MOHCD, all references herein to OCII shall be deemed references to MOHCD.

ARTICLE 49: ATTACHMENTS

The following are attached to this Ground Lease and by this reference made a part hereof:

1. Legal Description of Site
2. Memorandum of Ground Lease
3. Schedule of Performance
4. Operational Rules for Certificate Holder's Priority
5. Equal Opportunity Policies
5-1. Small Business Enterprise (SBE) Agreement
5-2. Construction Workforce Agreement
5-3. Prevailing Wage Policy
5-4. Nondiscrimination in Contracts and Benefits
5-5. Health Care Accountability
5-6. Minimum Compensation
6. Income Computation and Certification
7. Intentionally Omitted
8. Consent to Leasehold Mortgage
9. Rent Restrictions

IN WITNESS WHEREOF, the Tenant and OCII have executed this Ground Lease as of the day and year first above written.

OCII:
Office of Community Investment and Infrastructure, 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

By: _____
Nadia Sesay
Executive Director

APPROVED AS TO FORM:

James B. Morales
OCII General Counsel

By: _____
Aaron J. Foxworthy
Deputy General Counsel

TENANT:
MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

ATTACHMENT 1

LEGAL DESCRIPTION OF THE PROPERTY

ATTACHMENT 2

Form of Memorandum of Ground Lease

RECORDING REQUESTED BY:

OFFICE OF COMMUNITY INVESTMENT &
INFRASTRUCTURE, SUCCESSOR AGENCY
TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF
SAN FRANCISCO

WHEN RECORDED RETURN TO:
Office of Community Investment and Infrastructure
1 S. Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Housing Division

Free Recording Requested Pursuant to Government Code Section 27383
1150 3rd Street
San Francisco, CA 94158

MEMORANDUM OF GROUND LEASE

This Memorandum of Ground Lease ("Memorandum") is entered into as of this __ day of _____ by and between the Office of Community Investment and Infrastructure, organized and existing under the laws of the State of California (the "Lessor") and MB3E, L.P., a California limited partnership (the "Lessee") with respect to that certain unrecorded Ground Lease dated as of _____ (the "Lease"), between Lessor and Lessee.

Pursuant to the Lease, Lessor hereby leases to Lessee and Lessee leases from Lessor the real property described in Exhibit A attached hereto and incorporated herein by this reference (the "Property"). The Initial Term of the Lease shall commence on _____, and shall end on the date seventy-five (75) years thereafter, with an Option for Extension for an additional twenty-four (24) year term to begin at the end of the Initial Term. Lessee is granted a right of first refusal to purchase a fee interest in the Property from Lessor under certain conditions more specifically described in Section 14.02 of the Lease.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Lease or grant of improvements, of which this is a memorandum. Executed this ___ day of _____2017, at San Francisco, California.

LESSOR:

Office of Community Investment and Infrastructure,
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

By: _____
Nadia Sesay
Its: Executive Director

LESSEE:

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

ALL SIGNATURES MUST BE NOTARIZED

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

ATTACHMENT 3

Schedule of Performance

No.	1. Performance Milestone	Estimated or Actual Date	Contractual Deadline
1.	Acquisition/Predev Financing Commitment	Completed	
2.	Site Acquisition	OCII responsibility	OCII responsibility
3.	Development Team Selection		
a.	Architect	Completed	
b.	General Contractor	Completed	
c.	Owner's Representative	Completed	
d.	Property Manager	Completed	
e.	Service Provider	Completed	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	Completed	
b.	Submittal of Design Development & Cost Estimate	Completed	
c.	Submittal of 50% CD Set & Cost Estimate	Completed	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	Completed	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	Completed	
b.	NEPA Environ Review Submission	Completed	
c.	CUP/PUD/Variances Submission	N/A	
6.	Permits		
a.	Building / Site Permit Application Submitted	Completed	
b.	Addendum #1 Submitted	Completed	
c.	Addendum #2 Submitted	Completed	
7.	Request for Bids Issued	Completed	
8.	Service Plan Submission		
a.	Preliminary	9/6/17	11/6/17
b.	Interim	5/7/18	7/6/18

c.	Update	1/7/19	3/8/19
9.	Additional City Financing		
a.	Predevelopment Financing Application #2	N/A	
b.	Gap Financing Application	Completed	
10.	Other Financing		
a.	AHSC Application	Completed	
b.	Construction Financing RFP	Completed	
c.	AHP Application	Completed	
d.	CDLAC Application	Completed	
e.	TCAC Application	Completed	
f.	HUD VASH Voucher Application	Completed	
g.	VHHP Application	Completed	
11.	Closing		
a.	Construction Financing Closing	12/15/17	1/15/18
b.	Permanent Financing Conversion	11/1/20	3/1/22
12.	Construction		
a.	Notice to Proceed	12/15/17	1/16/18
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion (22 mos. following construction start)	11/15/19	3/1/21
13.	Marketing/Rent-up		
a.	Early Outreach Plan	1/15/18	1/15/18
b.	Marketing and Tenant Selection Plan	9/15/18	10/15/18
c.	Commence Marketing	5/15/19	8/15/19
d.	95% Occupancy	3/15/20	4/1/22
14.	Cost Certification/8609	3/1/21	6/1/22
15.	Close Out MOH/OCII Loan(s)	11/1/20	6/1/22

ATTACHMENT 4

Operational Rules for Certificate Holder's Priority

ATTACHMENT 5

1. Equal Opportunity Policies. Tenant shall comply with OCII's Equal Opportunity Policies and execute applicable agreements and declarations, attached hereto as part of this Attachment 5, which includes:

(i) Small Business Enterprise (SBE) Agreement (adopted by Resolution No. 43-2015, July 7, 2015) attached as Attachment 5-1.
(ii) Construction Workforce Agreement attached as Attachment 5-2.
(iii) Prevailing Wage Policy (adopted by Resolution No. 327-1985, November 12, 1985) attached as Attachment 5-3.
(iv) Nondiscrimination in Contracts and Benefits (adopted by Resolution No. 175-1997) attached as Attachment 5-4.
(v) Health Care Accountability (adopted by Resolution No. 168-2001) attached as Attachment 5-5.
(vi) Minimum Compensation (adopted by Resolution No. 168-2001) attached as Attachment 5-6.

Copies of OCII's Equal Opportunity Policies are available on the OCII website at http://sfocii.org/policies-and-procedures.

2. Environmental Review. The Project must meet the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 *et seq.*) and implementing regulations.

3. Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Tenant or OCII who exercises or has exercised any function or responsibilities with respect to activities assisted by Funds, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Tenant must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Tenant will be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Tenant must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Tenant represents that it is familiar with the provisions of Sections 1090 through 1097 and 87100 *et seq.* of the California Government Code, all of which relate to prohibited conflicts of interest in connection with government contracts. Tenant certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify OCII immediately if Tenant at any time obtains knowledge of facts constituting a violation.

(c) In the event of any violation of the conflict of interest prohibitions, Tenant agrees that OCII may refuse to consider any future application for funding from Tenant or any entity related to Tenant until the violation has been corrected to OCII's satisfaction, in OCII's sole discretion.

4. Disability Access. Tenant must comply with all applicable disability access Laws, including the Americans With Disabilities Act (42 U.S.C. §§ 1201 *et seq.*), Section 504 of the Rehabilitation Act (29 U.S.C. § 794) and the Fair Housing Amendments Act (42 U.S.C. §§ 3601 *et seq.*). Tenant is responsible for determining which disability access Laws apply to the Project, including those applicable due to the use of Funds. In addition, before occupancy of the Project, Tenant must provide to OCII a written reasonable accommodations policy that indicates how Tenant will respond to requests by disabled individuals for accommodations in Units and common areas of the Project.

5. Lead-Based Paint. Tenant must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq.*) and implementing regulations at 24 CFR part 35. Tenant must also comply with the provisions contained in 17 CCR 350000 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

6. Relocation. Tenant must meet any applicable requirements of the California Relocation Assistance Act (Cal. Gov. Code §§ 7260 *et seq.*) and implementing regulations in Title 25, Chapter 6 of the California Administrative Code and similar Laws.

7. Non-Discrimination in OCII Contracts and Benefits Policy.

(a) Tenant May Not Discriminate. In the performance of this Agreement, Tenant agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Tenant, in any of Tenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by Tenant.

(b) Non-Discrimination in Benefits. Tenant does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for OCII or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a Governmental Agency under state or local law authorizing such registration, subject to the

conditions set forth in the Agency's Nondiscrimination in Contracts Policy, adopted by Agency Resolution 175-97, as amended from time to time.

8. Public Disclosure.

(a) Tenant understands and agrees that under the State Public Records Law (Cal. Gov. Code §§ 6250 *et seq.*), this Agreement and any and all records, information and materials submitted to OCII or the City hereunder are public records subject to public disclosure. Tenant hereby authorizes OCII and the City to disclose any records, information and materials submitted to OCII or the City in connection with this Agreement as required by Law.

9. Compliance with Minimum Compensation Policy and Health Care Accountability Policy. Tenant agrees, as of the date of this Agreement and during the term of this Agreement, to comply with the provisions of the Agency's Minimum Compensation Policy and Health Care Accountability Policy (the "Policies"), adopted by Agency Resolution 168-2001, as such policies may be amended from time to time. Such compliance includes providing all "Covered Employees," as defined under Section 2.7 of the Policies, a minimum level of compensation and offering health plan benefits to such employees or to make payments to the City's Department of Public Health, or to participate in a health benefits program developed by the City's Director of Health.

10. Limitations on Contributions. Through execution of this Agreement, Tenant acknowledges that it is familiar with section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the Agency for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Tenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of FIFTY THOUSAND DOLLARS ($50,000.00) or more. Tenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Tenant's board of directors; Tenant's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Tenant; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Tenant. Additionally, Tenant acknowledges that Tenant must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126.

Finally, Tenant agrees to provide to OCII the names of each member of Tenant's general partners' (or, if applicable, general partners' managing members) board of directors; Tenant's general partners' (or, if applicable, general partners' managing members) chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Tenant's general partners (or, if applicable, general

partners' managing members); any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Tenant.

ATTACHMENT 5-1

SMALL BUSINESS ENTERPRISE AGREEMENT

The company or entity executing this Small Business Enterprise Agreement, by and through its duly authorized representative, hereby agrees to use good faith efforts to comply with all of the following:

I. PURPOSE. The purpose of entering into this Small Business Enterprise Program agreement ("**SBE Program**") is to establish a set of Small Business Enterprise ("SBE") participation goals and good faith efforts designed to ensure that monies are spent in a manner which provides SBEs with an opportunity to compete for and participate in contracts by or at the behest of the Successor Agency to the San Francisco Redevelopment Agency ("**Agency**") and/or the Agency-Assisted Contractor. A genuine effort will be made to give First Consideration to Project Area SBEs and San Francisco-based SBEs before looking outside of San Francisco.

II. APPLICATION. The SBE Program applies to all Contractors and their subcontractors seeking work on Agency-Assisted Projects on or after November 17, 2004 and any Amendment to a Pre-existing Contract**.**

III. GOALS. The Agency's SBE Participation Goals are:

CONSTRUCTION	**50%**
PROFESSIONAL SERVICES	**50%**
SUPPLIERS	**50%**

IV. TRAINEE HIRING GOAL. In addition to the goals set forth above in Section III, there is a trainee hiring goal for all design professionals (architects, engineers, planners, and environmental consultants) on contracts or subcontracts over $100,000. The trainee hiring goal requires architects, engineers and other design professionals only to hire qualified San Francisco residents as trainees. The trainee hiring goal is based upon the total amount of the design professional's contract as follows:

Trainees	**Design Professional Fees**
0	$ 0 – $99,000
1	$ 100,000 – $249,999
2	$ 250,000 – $499,999
3	$ 500,000 – $999,999
4	$1,000,000 – $1,499,999
5	$1,500,000 – $1,999,999
6	$2,000,000 - $4,999,999
7	$5,000,000 - $7,999,999
8	$8,000,000 – or more

A. Procedures for Trainee Hires

1. Compliance with the Trainee Hiring Goal

Design professionals will be deemed in compliance with this Agreement by meeting or exceeding the trainee hiring goal or by take the following steps in good faith towards compliance.

2. Execution and Incorporation of this Agreement to Sub-agreements

The Agency-Assisted Contractor shall execute this Agreement and shall incorporate by reference or attach this Agreement to its contract(s) with the architects, engineers and other design professionals. Thus, each design professional (regardless of tier) will be obligated to comply with the terms of this Agreement. The Agency-Assisted Contractor and/or the design professionals shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. Contact Educational Institutions

Each design professional shall call the City and County of San Francisco Office of Economic and Workforce Development (OEWD) or educational institution(s) and request referrals for the required trainee positions. The request will indicate generally: (1) the number of trainees sought; (2) the required skills set (keeping in mind that these are trainee positions); (3) a brief description of job duties; (4) the duration of the trainee period; and (5) any other information that would be helpful or necessary for the educational institution or OEWD to make the referral. The minimum duration of assignment is part-time for one semester. However, design professionals are strongly encouraged to offer longer trainee employment periods to allow a more meaningful learning experience. (For example, a half-time or full-time assignment over the summer.) Although the initial contact shall be made by phone, the educational institution(s) or OEWD may require the design professionals to send a confirming letter or complete its form(s). Each design professional is required to timely provide all of the information requested by the OEWD or educational institution(s) in order to get the referrals.

4. Response from Educational Institutions

Each educational institution may have a different way of referring applicants, such as: sending resumes directly to the design professional; having the applicant contact the design professional by phone; require design professionals to conduct on-campus interviews; or some other method. The timing and method of the response will normally be discussed with the design professional during the initial phone request. The design professional is required to follow the process set by the educational institution(s) in order to get the referrals.

5. Action by Design Professionals When Referrals Available

The design professional shall interview each applicant prior to making the decision to hire or not to hire. The design professional shall make the final determination whether the applicant is qualified for the trainee position and the ultimate hiring decision. The Agency strongly encourages the design professional to hire a qualified San Francisco resident referred by the educational institution(s). The design professional shall notify the educational institution in writing of the hiring decision.

6. Action by Design Professionals When Referrals Unavailable

If after contacting two or more educational institutions the design professional is informed that no San Francisco residents are currently available, then the design professional should wait thirty (30) days and contact the educational institutions a second time to inquire whether qualified San Francisco residents are currently available for hire as trainees. If no qualified San Francisco residents are currently available after the second request, then the design professional has fulfilled its obligation under this Agreement, provided that the design professional has acted in good faith. The design professional must retain its file on all of the steps it took to comply with this Section IV and submit a copy of its file to the Agency Compliance Officer upon request.

7. Action by Design Professional When No Response From Educational Institutions

If a design professional has not received a response to its request for referrals from any of the educational institutions within five (5) business days after the design professional has fully complied with

the procedures, if any, set by the educational institution(s) for obtaining referrals, then the design professional should immediately advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause the educational institution(s) to respond to the design professional within five (5) business days of the Agency Compliance Officer being notified. If the design professional still has not received a response from the educational institution(s) after this additional five (5) business day period has run, then the design professional has fulfilled its obligation under this Section IV, provided that the design professional has acted in good faith. Each design professional must retain its file on all of the steps it took to comply with this Agreement and submit a copy of its file to the Agency Compliance Officer upon request.

8. **Termination of Trainee for Cause**

If at any time during the Term, it becomes necessary to terminate for cause a trainee who was hired under this Agreement and the design professional has not met the minimum duration requirements under this policy, then the design professional shall hire a new trainee by following the process set forth above.

B. Reporting Requirements For Trainee Hires

1. **Reporting**

Upon completion of the Term of the Agreement or the term of the design professional's contract with the Agency-Assisted Contractor, whichever is less, the design professional (i.e. Employer) shall fax or email a report to the Agency Compliance Officer stating in detail: (1) the names of the San Francisco resident(s) interviewed for trainee positions; (2) the date(s) of each interview; (3) the reasons for not hiring the San Francisco resident(s) interviewed; (4) the name, address, gender and racial/ethnic background of the successful candidate for the trainee position; and (5) the number of San Francisco residents hired as trainees.

2. **Report on Terminations**

In the event a San Francisco resident hired pursuant to this Agreement is terminated for cause, the responsible design professional shall within five (5) days fax or email a termination report to the Agency Compliance Officer stating in detail: (1) the name of the trainee(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); and (4) whether the design professional replaced the trainee(s).

V. TERM. The obligations of the Agency-Assisted Contractor and/or Contractor(s) with respect to SBE Program shall remain in effect until completion of all work to be performed by the Agency-Assisted Contractor in connection with the original construction of the site and any tenant improvements on the site performed by or at the behest of the Agency-Assisted Contractor unless another term is specified in the Agency-Assisted Contract or Contract.

VI. FIRST CONSIDERATION. First consideration will be given by the Agency or Agency-Assisted Contractor in awarding contracts in the following order: (1) Project Area SBEs, (2) San Francisco-based SBEs (outside an Agency Project or Survey Area, but within San Francisco), and (3) Non-San Francisco-based SBEs. Non-San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non-San Francisco-based SBEs.

VII. ASSOCIATIONS AND JOINT VENTURES (JV). OCII will recognize JVs and Associations between non-SBE firms and SBE firms where the SBE partner performs at least 35% of the work defined

in the JV or Association agreement, and receives at least 35% (or a proportionate share, whichever is higher) of the dollars to be earned by the JV or Association. Under this arrangement, OCII will deem the JV or Association to be an SBE for the purposes of meeting the SBE goal. Due to the technical nature of the disciplines and the various standards of each industry, OCII will not require a standardized agreement. However, each JV and Association agreement must be in writing and contain, at a minimum, the following terms:

- Define the management of the agreement between the parties;
- Define the technical and managerial responsibilities of each party;
- Define the scope of work to be performed by each party, and where possible identify the percentage and break-down of scope of work for each party;
- Identify any additional subcontractors or consultants that will perform the work under the agreement;
- Define the schedule, duration, and deliverable of the agreement;
- Detail the fee schedule, fee breakdown, or division of compensation;
- Specify insurance requirements and/or if each party shall maintain its own insurance;
- Specify how additional work or changes in scope shall be negotiated or determined and which party shall be responsible for notifying OCII of the changes;
- Specify how claims and disputes will be resolved.

A copy of the JV or Association agreement must be provided to OCII for approval in order for the JV or Association to be recognized.

VIII. CERTIFICATION. The Agency no longer certifies SBEs but instead relies on the information provided in other public entities' business certifications to establish eligibility for the Agency's program. Only businesses certified by the Agency as SBEs whose certification has not expired and economically disadvantaged businesses that meet the Agency's SBE Certification Criteria will be counted toward meeting the participation goals. The SBE Certification Criteria are set forth in the SBE Policy.

IX. INCORPORATION. Each contract between the Agency, Agency-Assisted Contractor or Contractor on the one hand, and any subcontractor on the other hand, shall physically incorporate as an attachment or exhibit and make binding on the parties to that contract, a true and correct copy of this SBE Agreement.

X. DEFINITIONS. Capitalized terms not otherwise specifically defined in this SBE Agreement have the meaning set forth in the Agency's SBE Policy adopted on November 16, 2004 and amended on July 21, 2009 ("**Policy**") or as defined in the Agency-Assisted Contract or Contract. In the event of a conflict in the meaning of a defined term, the SBE Policy shall govern over the Agency-Assisted Contract or Contract which in turn shall govern over this SBE Agreement.

Affiliates means an affiliation with another business concern is based on the power to control, whether exercised or not. Such factors as common ownership, common management and identity of interest (often found in members of the same family), among others, are indicators of affiliation. Power to control exists when a party or parties have 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Affiliated business concerns need not be in the same line of business.

Agency-Assisted Contract means, as applicable, the Development and Disposition Agreement ("**DDA**"), Land Disposition Agreement ("**LDA**"), Lease, Loan and Grant Agreements, and other similar

contracts, and agreement that the Agency executed with for-profit or non-profit entities.

Agency-Assisted Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed an Agency-Assisted Contract.

Agency Contract means personal services contracts, purchase requisitions, and other similar contracts and operations agreements that the Agency executes with for-profit or non-profit entities.

Amendment to a Pre-existing Contract means a material change to the terms of any contract, the term of which has not expired on or before the date that this Small Business Enterprise Policy ("SBE Policy") takes effect, but shall not include amendments to decrease the scope of work or decrease the amount to be paid under a contract.

Annual Receipts means "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. The term does not include net capital gains or losses; taxes collected for and remitted to a taxing authority if included in gross or total income, such as sales or other taxes collected from customers and excluding taxes levied on the concern or its employees; proceeds from transactions between a concern and its domestic or foreign affiliates; and amounts collected for another by a travel agent, real estate agent, advertising agent, conference management service provider, freight forwarder or customs broker. For size determination purposes, the only exclusions from receipts are those specifically provided for in this paragraph. All other items, such as subcontractor costs, reimbursements for purchases a contractor makes at a customer's request, and employee-based costs such as payroll taxes, may not be excluded from receipts. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts. If a concern has not been in business for three (3) years, the average weekly revenue for the number of weeks the concern has been in business is multiplied by 52 to determine its average annual receipts.

Arbitration Party means all persons and entities who attend the arbitration hearing pursuant to Section XIII, as well as those persons and entities who are subject to a default award provided that all of the requirements in Section XIII.L. have been met.

Association means an agreement between two parties established for the purpose of completing a specific task or project. The associate agreement shall provide the SBE associate a significant project management role and the SBE associate shall be recognized in marketing and collateral material. The Association shall be distinguished from traditional subcontracting arrangements via a written Association agreement that defines the management of the agreement, technical and managerial responsibilities of the parties, and defined scopes and percentages of work to be performed by each party with its own resources and labor force. Unlike the more formal Joint Venture, an Association does not require formation of a new business enterprise between the parties. The Associate agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Commercially Useful Function means that the business is directly responsible for providing the materials, equipment, supplies or services in the City and County of San Francisco ("City") as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a "commercially useful function" unless the brokerage, referral or temporary employment services are required and sought by the Agency.

Contract means any agreement between the Agency and a person(s), firm, partnership, corporation, or combination thereof, to provide or procure labor, supplies or services to, for, or on behalf

of the Agency.

Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed a Contract.

Joint Venture means an entity established between two parties for the purposes of completing a venture or project. The Joint Venture agreement typically creates a separate business entity and requires acquisition of additional insurance for the newly created joint business entity. The Joint Venture agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Non-San Francisco-based Small Business Enterprise means a SBE that has fixed offices located outside the geographical boundaries of the City.

Office or Offices means a fixed and established place(s) where work is performed of a clerical, administrative, professional or production nature directly pertinent to the business being certified. A temporary location or movable property or one that was established to oversee a project such as a construction project office does not qualify as an "office" under this SBE Policy. Work space provided in exchange for services (in lieu of monetary rent) does not constitute an "office." The office is not required to be the headquarters for the business but it must be capable of providing all the services to operate the business for which SBE certification is sought. An arrangement for the right to use office space on an "as needed" basis where there is no office exclusively reserved for the business does not qualify as an office. The prospective SBE must submit a rental agreement for the office space, rent receipt or cancelled checks for rent payments. If the office space is owned by the prospective SBE, the business must submit property tax or a deed documenting ownership of the office.

Project Area Small Business Enterprise means a business that meets the above-definition of Small Business Enterprise and that: (a) has fixed offices located within the geographical boundaries of a Redevelopment Project or Survey Area where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a Project Area or Survey Area business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in a Project Area or Survey Area for at least six months preceding its application for certification as a SBE; and (e) has a Project Area or Survey Area office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a SBE. Post office box numbers of residential addresses alone shall not suffice to establish a firms' location in a Project Area or Survey Area.

Project Area means an area of San Francisco that meets the requirements under Community Redevelopment Law, Health and Safety Code Section 33320.1. These areas currently include the Bayview Industrial Triangle, Bayview Hunters Point (Area B), Hunters Point Shipyard, Mission Bay (North), Mission Bay (South), Rincon Point/South Beach, South of Market, and Transbay.

San Francisco-based Small Business Enterprise means a SBE that: (a) has fixed offices located within the geographical boundaries of the City where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a San Francisco business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in the City for at least six months preceding its application for certification as a SBE; and (e) has a San Francisco office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a SBE. Post office box numbers or residential addresses alone shall not suffice to establish a firm's status as local.

Small Business Enterprise (SBE) means an economically disadvantaged business that: is an independent and continuing business for profit; performs a commercially useful function; is owned and controlled by persons residing in the United States or its territories; has average gross annual receipts in the three years immediately preceding its application for certification as a SBE that do not exceed the following limits:

Industry	OCII SBE Size Standard
Construction Contractors	$20,000,000
Specialty Construction Contractors	$14,000,000
Suppliers (goods/materials/ equipment and general services)	$10,000,000
Professional Services	$2,500,000
Trucking	$3,500,000

In addition, an economically disadvantaged business shall meet the other certification criteria described in Exhibit I of the SBE Policy in order to be considered an SBE by the Agency.

In order to determine whether or not a firm meets the above economic size definitions, the Agency will use the firm's three most recent business tax returns (i.e., 1040 with Schedule C for Sole Proprietorships, 1065s with K-1s for Partnerships, and 1120s for Corporations) to calculate the firm's three-year average annual gross receipts. In addition, the calculation of a firm's size shall include the receipts of all affiliates.

Once a business reaches the 3-year average size threshold for the applicable industry the business ceases to be economically disadvantaged, it is not an eligible SBE and it will not be counted towards meeting SBE contracting requirements (or goals).

Specialty Construction Contractor means a contractor licensed by the Contractors State License Board under the "C" classification license pursuant to California Business and Professions Code Section 7058.

Survey Area means an area of San Francisco that meets the requirements of the Community Redevelopment Law, Health and Safety Code Section 33310. These areas currently include the Bayview Hunters Point Redevelopment Survey Area C.

XI. GOOD FAITH EFFORTS TO MEET SBE GOALS. Compliance with the following steps will be the basis for determining if the Agency-Assisted Contractor and/or Consultant has made good faith efforts to meet the goals for SBEs:

A. Outreach. Not less than 30 days prior to the opening of bids or the selection of contractors, the Agency-Assisted Contractor or Contractor shall:

1. **Advertise**. Advertise for SBEs interested in competing for the contract, in general circulation media, trade association publications, including timely use of the ***Bid and Contract Opportunities*** newsletter published by the City and County of San Francisco Purchasing Department and media focused specifically on SBE businesses such as the ***Small Business Exchange***, of the opportunity to submit bids or proposals and to attend a pre-bid meeting to learn about contracting opportunities.

2. **Request List of SBEs**. Request from the Agency's Contract Compliance Department a list of all known SBEs in the pertinent field(s), particularly those in the Project and Survey Areas and provide written notice to all of them of the opportunity to bid for contracts and to attend a pre-bid or pre-solicitation meeting to learn about contracting opportunities.

B. Pre-Solicitation Meeting. For construction contracts estimated to cost FIVE THOUSAN DOLLARS ($5,000.00) or more, hold a pre-bid meeting for all interested contractors not less than 15 days prior to the opening of bids or the selection of contractors for the purpose answering questions about the selection process and the specifications and requirements. Representatives of the Contract Compliance Department will also participate.

C. Follow-up. Follow up initial solicitations of interest by contacting the SBEs to determine with certainty whether the enterprises are interested in performing specific items involved in work.

D. Subdivide Work. Divide, to the greatest extent feasible, the contract work into small units to facilitate SBE participation, including, where feasible, offering items of the contract work which the Contractor would normally perform itself.

E. Provide Timely and Complete Information. The Agency-Assisted Contractor or Contractor shall provide SBEs with complete, adequate and ongoing information about the plans, specifications and requirements of construction work, service work and material supply work. This paragraph does not require the Agency-Assisted Contractor or Contractor to give SBEs any information not provided to other contractors. This paragraph does require the Agency Assisted Contractor and Contractor to answer carefully and completely all reasonable questions asked by SBEs and to undertake every good faith effort to ensure that SBEs understand the nature and the scope of the work.

F. Good Faith Negotiations. Negotiate with SBEs in good faith and demonstrate that SBEs were not rejected as unqualified without sound reasons based on a thorough investigation of their capacities.

G. Bid Shopping Prohibited. Prohibit the shopping of the bids. Where the Agency-Assisted Contractor or Contractor learns that bid shopping has occurred, it shall treat such bid shopping as a material breach of contract.

H. Other Assistance. Assist SBEs in their efforts to obtain bonds, lines of credit and insurance. (Note that the Agency has a Surety Bond Program that may assist SBEs in obtaining necessary bonding.) The Agency-Assisted Contractor or Contractor(s) shall require no more stringent bond or insurance standards of SBEs than required of other business enterprises.

I. Delivery Scheduling. Establish delivery schedules which encourage participation of SBEs.

J. Utilize SBEs as Lower Tier Subcontractors. The Agency-Assisted Contractor and its Contractor(s) shall encourage and assist higher tier subcontractors in undertaking good faith efforts to utilize SBEs as lower tier subcontractors.

K. Maximize Outreach Resources. Use the services of SBE associations, federal, state and local SBE assistance offices and other organizations that provide assistance in the recruitment and placement of SBEs, including the Small Business Administration and the Business Development Agency of the Department of Commerce. However, only SBEs certified by the Agency shall count towards meeting the participation goal.

L. Replacement of SBE. If during the term of this SBE Agreement, it becomes necessary to replace any subcontractor or supplier, the Agency's Contract Compliance Specialist should be notified prior to replacement due to the failure or inability of the subcontractor or supplier to perform the required services or timely delivery the required supplies, then First Consideration should be given to a certified SBE, if available, as a replacement.

XII. ADDITIONAL PROVISIONS

A. No Retaliation. No employee shall be discharged or in any other manner discriminated against by the Agency-Assisted Contractor or Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to enforcement of this Agreement.

B. No Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of an Agency-Assisted Contract or Contract. The Agency-Assisted Contractor or Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations.

C. Compliance with Prompt Payment Statute. Construction contracts and subcontracts awarded for FIVE THOUSAND DOLLARS ($5,000.00) or more shall contain the following provision:

> "Amounts for work performed by a subcontractor shall be paid within seven (7) days of receipt of funds by the contractor, pursuant to California Business and Professions Code Section 7108.5 *et seq*. Failure to include this provision in a subcontractor or failure to comply with this provision shall constitute an event of default which would permit the Agency to exercise any and all remedies available to it under contract, at law or in equity."

In addition to and not in contradiction to the Prompt Payment Statute (California Business and Professions Code Section 7108.5 *et seq*.), if a dispute arises which would allow a Contractor to withhold payment to a subcontractor due to a dispute, the Contractor shall only withhold that amount which directly relates to the dispute and shall promptly pay the remaining undisputed amount, if any.

D. Submission Of Electronic Certified Payrolls. For any Agency-Assisted Contract which requires the submission of certified payroll reports, the requirements of Section VII of the Agency's Small Business Enterprise Policy shall apply. Please see the Small Business Enterprise Policy for more details.

XIII. PROCEDURES

A. Notice to Agency. The Agency-Assisted Contractor or Contractor(s) shall provide the Agency with the following information within 10 days of awarding a contract or selecting subconsultant:

1. the nature of the contract, e.g. type and scope of work to be performed;
2. the dollar amount of the contract;

3. the name, address, license number, gender and ethnicity of the person to whom the contract was awarded; And

4. SBE status of each subcontractor or subconsultant.

B. **Affidavit**. If the Agency-Assisted Contractor or Contractor(s) contend that the contract has been awarded to a SBE, the Agency-Assisted Contractor or Contractor(s) shall, at the same time also submit to the Agency a SBE Application for Certification and its accompanying Affidavit completed by the SBE owner. However, a SBE that was previously certified by the Agency shall submit only the short SBE Eligibility Statement.

C. **Good Faith Documentation**. If the 50% SBE Participation Goals are not met in each category (Construction, Professional Services and Suppliers), the Agency-Assisted Contractor or Contractor(s) shall meet and confer with the Agency at a date and time set by the Agency. If the issue of the Agency-Assisted Contractor's or Contractor's good faith efforts is not resolved at this meeting, the Agency-Assisted Contractor or Contractor shall submit to the Agency within five (5) days, a declaration under penalty of perjury containing the following documentation with respect to the good faith efforts ("**Submission**"):

1. A report showing the responses, rejections, proposals and bids (including the amount of the bid) received from SBEs, including the date each response, proposal or bid was received. This report shall indicate the action taken by the Agency-Assisted Contractor or Contractor(s) in response to each proposal or bid received from SBEs, including the reasons(s) for any rejections.

2. A report showing the date that the bid was received, the amount bid by and the amount to be paid (if different) to the non-SBE contractor that was selected. If the non-SBE contractor who was selected submitted more than one bid, the amount of each bid and the date that each bid was received shall be shown in the report. If the bidder asserts that there were reasons other than the respective amounts bid for not awarding the contract to an SBE, the report shall also contain an explanation of these reasons.

3. Documentation of advertising for and contacts with SBEs, contractor associations or development centers, or any other agency which disseminates bid and contract information to small business enterprises.

4. Copies of initial and follow-up correspondence with SBEs, contractor associations and other agencies, which assist SBEs.

5. A description of the assistance provided SBE firms relative to obtaining and explaining plans, specifications and contract requirements.

6. A description of the assistance provided to SBEs with respect to bonding, lines of credit, etc.

7. A description of efforts to negotiate or a statement of the reasons for not negotiating with SBEs.

8. A description of any divisions of work undertaken to facilitate SBE participation.

9. Documentation of efforts undertaken to encourage subcontractors to obtain small business enterprise participation at a lower tier.

10. A report which shows for each private project and each public project (without a SBE program) undertaken by the bidder in the preceding 12 months, the total dollar amount of the contract and the percentage of the contract dollars awarded to SBEs and the percentage of contract dollars awarded to non-SBEs.

11. Documentation of any other efforts undertaken to encourage participation by small business enterprises.

D. Presumption of Good Faith Efforts. If the Agency-Assisted Contractor or Contractor(s) achieves the Participation Goals, it will not be required to submit Good Faith Effort documentation.

E. Waiver. Any of the SBE requirements may be waived if the Agency determines that a specific requirement is not relevant to the particular situation at issue, that SBEs were not available, or that SBEs were charging an unreasonable price.

F. SBE Determination. The Agency shall exercise its reasonable judgment in determining whether a business, whose name is submitted by the Agency-Assisted Contractor or Contractor(s) as a SBE, is owned and controlled by a SBE. A firm's appearance in any of the Agency's current directories will be considered by the Agency as prima facie evidence that the firm is a SBE. Where the Agency-Assisted Contractor or Contractor(s) makes a submission the Agency shall make a determination, as to whether or not a business which the Agency-Assisted Contractor or Contractor(s) claims is a SBE is in fact owned and controlled by San Francisco-based SBEs. If the Agency determines that the business is not a SBE, the Agency shall give the Agency-Assisted Contractor or Contractor a Notice of Non-Qualification and provide the Agency-Assisted Contractor or Contractor with a reasonable period (not to exceed 20 days) in which to meet with the Agency and if necessary make a Submission, concerning its good faith efforts. If the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to Section XIII.

G. Agency Investigation. Where the Agency-Assisted Contractor or Contractor makes a Submission and, as a result, the Agency has cause to believe that the Agency-Assisted Contractor or Contractor has failed to undertake good faith efforts, the Agency shall conduct an investigation, and after affording the Agency-Assisted Contractor or Contractor notice and an opportunity to be heard, shall recommend such remedies and sanctions as it deems necessary to correct any alleged violation(s). The Agency shall give the Agency-Assisted Contractor or Contractor a written Notice of Non-Compliance setting forth its findings and recommendations. If the Agency-Assisted Contractor or Contractor disagrees with the findings and recommendations of the Agency as set forth in the Notice of Non-Compliance, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to this SBE Agreement.

XIV. ARBITRATION OF DISPUTES.

A. Arbitration by AAA. Any dispute regarding this SBE Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

B. Demand for Arbitration. Where the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Agency-Assisted Contractor or Contractor shall have seven (7) business days, in which to file a Demand for**

Arbitration, unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying any entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Agency-Assisted Contractor and Contractor fail to file a timely Demand for Arbitration, the Agency-Assisted Contractor and Contractor shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

C. Parties' Participation. The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Agency-Assisted Contractor or Contractor made an initial timely Demand for Arbitration pursuant to Section XIII.B. above.

D. Agency Request to AAA. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

E. Selection of Arbitrator. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

F. Setting of Arbitration Hearing. A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

G. Discovery. In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

H. Burden of Proof. The burden of proof with respect to SBE status and/or Good Faith Efforts shall be on the Agency-Assisted Contractor and/or Contractor. The burden of proof as to all other alleged breaches by the Agency-Assisted Contractor and/or Contractor shall be on the Agency.

I. California Law Applies. Except where expressly stated to the contrary in this SBE Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

J. Arbitration Remedies and Sanctions. The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Agency-Assisted Contract or this SBE Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Agency-Assisted Contract or this SBE Agreement, other than those minor modifications or extensions necessary to enable compliance with this SBE Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the SBE Program requirements in the Agency-Assisted Contract or this SBE Agreement. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed FIFTY THOUSAND DOLLARS ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this SBE Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

K. Arbitrator's Decision. The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

L. Default Award; No Requirement to Seek an Order Compelling Arbitration. The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

M. Arbitrator Lacks Power to Modify. Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Agency-Assisted Contract, this SBE Agreement or any other agreement between the Agency, the Agency-Assisted Contractor or Contractor or to negotiate new agreements or provisions between the parties.

N. Jurisdiction/Entry of Judgment. The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds

that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

O. Exculpatory Clause. Agency-Assisted Contractor or Contractor (regardless of tier) expressly waive any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Agency-Assisted Contractor or Contractor (regardless of tier) acknowledge and agree that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this SBE Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. Severability. The provisions of this SBE Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this SBE Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this SBE Agreement or the validity of their application to other persons or circumstances.

Q. Arbitration Notice: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

_____	_____
Agency	Agency-Assisted Contractor

XV. AGREEMENT EXECUTION

I, hereby certify that I have authority to execute this SBE Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's 50% SBE Participation Goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

Signature	Date
Print Your Name	Title
Company Name and Phone Number	

ATTACHMENT 5-2

CONSTRUCTION WORK FORCE AGREEMENT

I. PURPOSE. This Agreement is entered into between the Office of Community Investment and Infrastructure ("OCII" or "Agency"), as successor agency to the San Francisco Redevelopment Agency and **MB3E, L.P.**, (hereinafter "Owner") for the purposes of ensuring participation of San Francisco residents and equal employment opportunities in the construction work force involved in constructing any of the phases upon the Site covered by the underlying agreement to which this Agreement is attached hereto.

II. DEFINITIONS.

The following definitions apply to this Agreement.

A. "CityBuild" means the construction employment program of the Workforce Development Division of the San Francisco Office of Economic and Workforce Development (OEWD).

B. "Contract" means any agreement in excess of **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** between the Owner, its Contractors and a person to provide or procure labor, materials or services for the construction of the Owner Improvements, including a purchase order that requires installation of materials.

C. "Contractor" means the Owner's general contractor, all prime contractors and all subcontractors (regardless of tier) having a Contract or subcontract in excess of **TEN THOUSAND and 00/100 DOLLARS ($10,000.00)** and who employ persons in a Trade for construction of the Owner Improvements.

D. "Owner Improvements" means improvements constructed in the Mission Bay South Area by the Owner.

E. "Project Area Resident" means a San Francisco Resident who resides in a redevelopment area under the management of OCII.

F. "San Francisco Resident" in the case of a new hire shall mean an individual who has lived in San Francisco for at least one week prior to submitting his/her initial application for employment to work on the Owner Improvements. In the case of a person employed by the Owner or its Contractor or Consultant prior to assignment to the Owner Improvements, this term shall mean a person who has lived in San Francisco for at least six months prior to the date he/she applied for a transfer to a position at the Owner Improvements or the date he/she was assigned to work on the Owner Improvements, whichever is earlier; or a person who establishes, to the satisfaction of the Agency, that he/she lived in San Francisco prior to applying for or being considered for a position with the Owner, Contractor or Consultant.

III. WORK FORCE GOALS.

The Owner agrees and will require each Contractor and all subcontractors to use good faith efforts to employ 50 percent of its construction workforce hires by trade and by hours from qualified San Francisco Residents with first consideration given to Project Area Residents. Owner and Contractors will be deemed in compliance with this Agreement and the Policy by meeting or exceeding the goal or by demonstrating good faith efforts toward compliance.

IV. GOOD FAITH EFFORTS.

A. Submission of Labor Force Projections and Other Data
The Contractor shall submit, to the extent available, labor force projections to the OCII Compliance Officer, or its agent, within two (2) weeks of contract award.

B. Submit Subcontractor Information Form
The Contractor shall submit to the Compliance Officer, or its agent, the Subcontractor Information Forms, twenty-four (24) hours prior to the preconstruction meeting. The Subcontractor Information Forms are available from the Compliance Officer upon request.

C. Preconstruction Meeting
The Contractor shall hold a preconstruction meeting which shall be attended by the Compliance Officer, CityBuild, all prime contractor(s) and all subcontractor(s). The preconstruction meeting shall be scheduled between two (2) days and thirty (30) days prior to the start of construction at a time and place convenient to all attendees. The purpose of the meeting is to discuss: the hiring goals, workforce composition, worker referral process, certified payroll reporting, procedure for termination and replacement of workers covered by this Agreement and to explore any anticipated problems in complying with the Agreement. All questions regarding how this Agreement applies to the Owner, Contractor, subcontractors and consultants should be answered at this meeting. Failure to hold or attend at least one (1) preconstruction meeting will be a breach of the Policy and this Agreement that may result in the Agency ordering a suspension of work until the breach has been cured. Suspension under this provision is not subject to arbitration.

D. Submit Construction Worker Request Form
For the Term of the Agreement, each time the Owner or Contractor seeks to hire workers for the construction or rehabilitation of improvements, they must first submit, by fax, email or hand delivery, an executed construction worker request form to CityBuild. Preferably this request will be submitted at least two (2) business days before the workers are needed. However, requests with less than two (2) business days' notice will be accepted. The construction worker request form will indicate generally: the number of workers needed, duration needed, required skills or trade and date/time to report. The construction worker request form is available from the Compliance Officer upon request.

E. Response from CityBuild
CityBuild shall respond, in writing, via fax, email or hand delivery to each request

for construction workers. The response shall state that CityBuild was able to satisfy the request in full, in part or was unable to satisfy the request. CityBuild shall look to their own referral lists, as well as confer with CBOs in an attempt to find qualified Project Area Residents and San Francisco Residents. If CityBuild is able to satisfy the request in full or in part, it shall direct the qualified Project Area Resident(s) or San Francisco Resident(s) to report to the Contractor on the date and time indicated in the request. If CityBuild is unable to satisfy the request, then CityBuild shall send a fax or email stating that no qualified Project Area Residents or San Francisco Residents are currently available.

F. Action by Contractor When Referrals Available

The Owner or Contractor whose request has been satisfied in full or in part shall make the final determination of whether the Project Area Residents or San Francisco Residents are qualified for the positions and the ultimate hiring decision. The Agency strongly encourages the Contractor to hire the qualified Project Area Residents or San Francisco Residents referred by CityBuild. However, if the Contractor finds the Project Area Residents or San Francisco Residents are not qualified, then the Contractor shall send the Project Area Residents or San Francisco Residents back to CityBuild. Before the close of business on the same day, the Contractor shall fax or email a statement addressed to CityBuild stating in detail the reason(s) the Project Area Residents or San Francisco Residents were not qualified or the reason(s) for not hiring the Project Area Residents or San Francisco Residents. CityBuild shall, within one (1) business day of receipt of the fax or email, send new qualified Project Area Residents or San Francisco Residents that meet the legitimate qualifications set by the Contractor or alternatively, send a fax or email stating that no qualified Project Area Residents or San Francisco Residents are currently available.

G. Action by Contractor When Referrals Unavailable

If a Contractor receives a response from CityBuild stating that no qualified Project Area Residents or San Francisco Residents are currently available, then the Contractor may hire the number of construction workers requested from CityBuild, using its own recruiting methods, giving first consideration to Project Area Residents and then San Francisco Residents. Any additional new construction workforce hires (including the replacement of any terminated workers) must comply with this Policy, unless the Contractor has already met or exceeded the goal. The Contractor must keep a copy of the response it receives from CityBuild as proof of compliance and submit a copy of each response received to the Compliance Officer upon request.

H. Action by Contractor When No Response From CityBuild

If a Contractor has not received a response to its construction worker request from CityBuild within two (2) business days, then the Contractor should immediate advise the Compliance Officer by phone, fax or email. The Compliance Officer or his/her designee shall cause a response to be sent to the Contractor within two (2) business days of being notified. If the Contractor does not receive a response from

CityBuild within four (4) business days (the original two (2) business days plus the additional two (2) business days), then the Contractor may hire the number of construction workers requested from CityBuild, using its own recruiting methods, giving first consideration to Project Area Residents and then San Francisco Residents. Any construction workforce hires (including the replacement of any terminated workers) must comply with this Policy, unless the Contractor has already met or exceeded the goal. The Contractor must keep a copy of the response it receives from CityBuild as proof of compliance and submit a copy of each response received to the Compliance Officer upon request. This Policy is intended to provide qualified Project Area and San Francisco Residents with employment opportunities without causing undue delay in hiring needed construction workers.

I. Action by Contractor When No Response from Union

The Contractor should immediately advise the Compliance Officer by phone, fax or email when the Contractor has sent a qualified Project Area Resident or San Francisco Resident to a union hall for referral in accordance with a collective bargaining agreement and the union did not refer the qualified Project Area or San Francisco Resident back for employment or when the union referral process impedes the Contractor's ability to meet its obligations under this Policy. Nothing in this Policy shall be interpreted to interfere with or prohibit existing labor agreements or collective bargaining agreements.

J. Hiring Apprentices

A Contractor may meet part of the Construction Workforce Goal by hiring apprentices. However, hiring an apprentice does not satisfy or waive the trainee hiring obligation, if any, for design professionals. Unless otherwise permitted by law, apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training or the California Department of Industrial Relations, Division of Apprenticeship Standards. Credit towards compliance will only be given for paid apprentices actually working on the project. No credit is available for apprentices while receiving class room training. Under no circumstances shall the ratio of apprentices to journeymen in a particular trade or craft exceed 1:5.

K. Termination and Replacement of Referrals

If at any time it becomes necessary to terminate for cause a construction worker who was hired under this Policy, the Contractor shall notify CityBuild in writing via fax or email and submit a report of termination pursuant to Section (B)(4). If the Contractor intends to fill the vacant position, then the Contractor shall follow the process set forth in this Policy beginning at Section (A)(6).

V. REPORTING REQUIREMENTS.

A. Submission of Certified Payroll Reports

Each Contractor subject to this Policy shall submit to the Agency a certified payroll report for the preceding work week on each of its employees. The Owner is ultimately responsible for the submission of these reports by the Contractors. The

certified payroll report is due to the Agency by noon each Wednesday. To facilitate compliance, the Agency uses an online Project Reporting System (PRS) for submission of certified payroll reports. This system is available at no cost to the Contractor. Training and educational materials for PRS are available at no cost online and through the Compliance Officer. Contractors are required to report certified payroll using PRS. However, a waiver may be granted to any Contractors who do not have a computer or online access.

B. Additional Information

In order to prevent unlawful discrimination in the selection, hiring and termination of employees on the basis of race, ethnicity, gender or any other basis prohibited by law and to identify and correct such unlawful practices, the Agency will monitor and collect information on the ethnicity and gender of each construction worker and apprentice. If an identifiable pattern of apparent discrimination is revealed by this additional information, it will be treated as a breach of this Policy and may be addressed as set forth in the arbitration provisions included in Agency contracts.

C. Report on Terminations

In the event a Project Area Resident or San Francisco Resident hired pursuant to this Policy is terminated for cause, the responsible Contractor shall within two (2) days fax or email a termination report to CityBuild with a copy to the Compliance Officer stating in detail: (1) the name of the worker(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); (4) whether the Contractor replaced the construction worker(s); and (5) whether the replacement worker(s) were Project Area Resident(s) or San Francisco Resident(s).

D. Inspection of Records

The Owner and each Contractor shall make the records required under this Agreement available for inspection or copying by authorized representatives of the Agency and its designated Compliance Officer, and shall permit such representatives to interview construction workers and apprentices during working hours on the job.

E. Failure to Submit Reports

If a Contractor fails or refuses to provide the reports as required it will be treated as a breach of this Agreement and the Policy, and may be addressed under arbitration provisions pursuant to Article VII (Arbitration of Disputes) of this Agreement.

F. Submission of Good Faith Effort Documentation

If the Owner's or Contractor's good faith efforts are at issue, the Contractor shall provide the Agency or its designated Compliance Officer with the documentation of its efforts to comply with this Policy and the Agreement. The Owner or Contractor must maintain a current file of the names, addresses and telephone numbers of each Project Area Resident or San Francisco Resident applicant referral (whether a self-referral or a referral from a union, CBO or CityBuild referral) and what action was taken with respect to each such individual.

G. Coding Certified Payrolls

Each Contractor shall include, on the weekly payroll submissions, the proper job classification (as approved by the California Department of Industrial Relations), apprentice's craft (if applicable), skill level, protected class status, and domicile of each construction worker.

VI. RECORDKEEPING REQUIREMENTS.

Contractor shall comply with the requirements of California Labor Code Section 1776, as amended, regarding the keeping, filing and furnishing of certified copies of payroll records of wages paid to its employees and to the employees of its subcontractors of all tiers.

In addition, each Contractor shall keep, or cause to be kept, for a period of four years from the date of substantial completion of Owner Improvements, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the Owner Improvements. Such records shall include the name, address and social security number of each worker who worked on the covered project, his or her classification, a general description of the work each worker performed each day, the apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-identified race, gender, and ethnicity of each worker, whether or not the worker was a local resident or disadvantaged worker, and the referral source or method through which the Contractor hired or retained that worker for work on the Owner Improvements (e.g., core workforce, name call, union hiring hall, City-designated referral source, or recruitment or hiring method). Contractor may verify that a worker is a local resident through the worker's possession of a valid SF City ID Card or other government-issued identification. OCII may require additional records to be kept with regard to Contractor's compliance with this Agreement. All records described in this section shall at all times be open to inspection and examination by the duly authorized officers and agents of OCII, including representatives of the OEWD.

VII. ARBITRATION OF DISPUTES.

A. **Arbitration by AAA**. Any dispute regarding this Construction Work Force Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

B. **Demand for Arbitration**. Where the Owner disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Owner shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Owner fails to file a timely Demand for Arbitration, the Owner shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations

contained in the Notice of Non-Compliance.

C. **Parties' Participation**. The Agency and all persons or entities that have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Owner made an initial timely Demand for Arbitration pursuant to Section VII.B. above.

D. **Agency Request to AAA**. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

E. **Selection of Arbitrator**. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

F. **Setting of Arbitration Hearing.** A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

G. **Discovery.** In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

H. **Burden of Proof**. The burden of proof with respect to Construction Work Force compliance and/or Good Faith Efforts shall be on the Owner. The burden of proof as to all other alleged breaches by the Owner shall be on the Agency.

I. **California Law Applies.** Except where expressly stated to the contrary in this Construction Work Force Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

J. **Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any

non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Owner or this Construction Work Force Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Owner or this Construction Work Force Agreement, other than those minor modifications or extensions necessary to enable compliance with this Construction Work Force Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the Agency's Work Force policy requirements. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed FIFTY THOUSAND DOLLARS ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this Construction Work Force Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

K. **Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

L. **Default Award; No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil

Procedure §1281.2.

M. **Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of this Construction Work Force Agreement or any other agreement between the Agency and Owner or to negotiate new agreements or provisions between the parties.

N. **Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

O. **Exculpatory Clause.** Owner expressly waives any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Owner acknowledges and agrees that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this Construction Work Force Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. **Severability**. The provisions of this Construction Work Force Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Construction Work Force Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Construction Work Force Agreement or the validity of their application to other persons or circumstances.

Q. **Arbitration Notice:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU

REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

_____ _____

Agency Owner

I, hereby certify that I have authority to execute this Construction Work Force Agreement on behalf of the Owner listed below and that Owner agrees to diligently exercise good faith efforts to comply with this Agreement to meet or exceed the construction work force participation goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

Signature	Date
Print Your Name	Title
Company Name	Phone Number

ATTACHMENT 5-3

PREVAILING WAGE PROVISIONS
(LABOR STANDARDS)

1. **Applicability**. These Prevailing Wage Provisions (hereinafter referred to as "Labor Standards") apply to any and all construction of the Improvements as defined in the Lease Agreement between the Tenant and the Agency of which this Attachment and these Labor Standards are a part.

2. **All Contracts and Subcontracts for construction and construction-related improvements shall contain the Labor Standards.**

(a) All specifications relating to the construction of the improvements shall contain these Labor Standards and the Contractor shall have the responsibility to assure that all contracts and subcontracts, regardless of tier, incorporate by reference the specifications containing these Labor Standards. If for any reason said Labor Standards are not included, the Labor Standards shall nevertheless apply. The Contractor shall supply the Agency with true copies of each contract relating to the construction of the improvements showing the specifications that contain these Labor Standards promptly after due and complete execution thereof and before any work under such contract commences. Failure to do shall be a violation of these Labor Standards.

3. **Definitions**. The following definitions shall apply for purposes of this Attachment:

(a) "Contractor" is the Contractor if permitted by law to act as a contractor, the general contractor, and any contractor as well as any subcontractor of any tier subcontractor having a contract or subcontract that exceeds TEN THOUSAND DOLLARS ($10,000.00), and who employs Laborers, Mechanics, working foremen, and security guards to perform the construction on all or any part of the improvements.

(b) "Laborers" and "Mechanics" are all persons providing labor to perform the construction, including working foremen and security guards.

(c) "Working foreman" is a person who, in addition to performing supervisory duties, performs the work of a Laborer or Mechanic during at least 20 percent of the work week.

4. **Prevailing Wage**.

(a) All Laborers and Mechanics employed in the construction of the improvements will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by §5) the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at the time of payment computed at rates not

less than those contained in the General Prevailing Wage Determination (hereinafter referred to as the "Wage Determination") made by the Director of Industrial Relations pursuant to California Labor Code Part 7, Chapter 1, Article 2, sections 1770, 1773 and 1773.1, regardless of any contractual relationship which may be alleged to exist between the Contractor and such Laborers and Mechanics. A copy of the applicable Wage Determination is on file in the offices of the Agency.

(b) All Laborers and Mechanics shall be paid the appropriate wage rate and fringe benefits for the classification of work actually performed, without regard to skill. Laborers or Mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein provided that the Contractor's payroll records accurately set forth the time spent in each classification in which work is performed.

(c) Whenever the wage rate prescribed in the Wage Determination for a class of Laborers or Mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit in the manner as stated therein i.e. the vacation plan, the health benefit program, the pension plan and the apprenticeship program, or shall pay an hourly cash equivalent thereof.

(d) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any Laborer or Mechanic the amount of any costs reasonably anticipated in providing benefits under a plan or program of a type expressly listed in the Wage Determination, provided that the Executive Director of the Agency has found, upon the written request of the Contractor, made through the Contractor that the intent of the Labor Standards has been met. Records of such costs shall be maintained in the manner set forth in subsection (a) of §8. The Executive Director of the Agency may require the Contractor to set aside in a separate interest bearing account with a member of the Federal Deposit Insurance Corporation, assets for the meeting of obligations under the plan or program referred to above in subsection (b) of this §4. The interest shall be accumulated and shall be paid as determined by the Agency acting at its sole discretion.

(e) Regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

5. **Permissible Payroll Deductions**. The following payroll deductions are permissible deductions. Any others require the approval of the Agency's Executive Director.

(a) Any withholding made in compliance with the requirements of Federal, State or local income tax laws, and the Federal social security tax.

(b) Any repayment of sums previously advanced to the employee as a bona fide prepayment of wages when such prepayment is made without discount or interest. A "bona fide prepayment of wages" is considered to have been made only when case or its equivalent has been advanced to the employee in such manner as to give him or her complete freedom of disposition of the advanced funds.

(c) Any garnishment, unless it is in favor of the Contractor (or any affiliated person or entity), or when collusion or collaboration exists.

(d) Any contribution on behalf of the employee, to funds established by the Contractor, representatives of employees or both, for the purpose of providing from principal, income or both, medical or hospital care, pensions or annuities on retirement, death benefits, compensation for injuries, illness, accidents, sickness or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts or similar payments for the benefit of employees, their families and dependents provided, however, that the following standards are met:

1. The deduction is not otherwise prohibited by law; and

2. It is either:

   a. Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for obtaining or for the continuation of employment, or

   b. Provided for in a bona fide collective bargaining agreement between the Contractor and representatives of its employees; and

3. No profit or other benefit is otherwise obtained, directly or indirectly, by the Contractor (or any affiliated person or entity) in the form of commission, dividend or otherwise; and

4. The deduction shall serve the convenience and interest of the employee.

(e) Any authorized purchase of United States Savings Bonds for the employee.

(f) Any voluntarily authorized repayment of loans from or the purchase of shares in credit unions organized and operated in accordance with Federal and State credit union statutes.

(g) Any contribution voluntarily authorized by the employee for the American Red Cross, United Way and similar charitable organizations.

(h) Any payment of regular union initiation fees and membership dues, but not including fines or special assessments provided, that a collective bargaining agreement between the Contractor and representatives of its employees provides for such payment and the deductions are not otherwise prohibited by law.

6. **Apprentices and Trainees**. Apprentices and trainees will be permitted to work at less than the Mechanic's rate for the work they perform when they are employed pursuant to and are individually registered in an apprenticeship or trainee program approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training ("BAT") or with the California Department of Industrial Relations, Division of Apprenticeship Standards ("DAS") or if a person is employed in his or her first 90 days of probationary employment as an apprentice or trainee in such a program, who is not individually registered in the program, but who has been certified by BAT or DAS to be eligible for probationary employment. Any employee listed on a payroll at an apprentice or trainee wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate for a Mechanic. Every apprentice or trainee must be paid at not less than the rate specified in the registered program for the employee's level of progress, expressed as a percentage of a Mechanic's hourly rate as specified in the Wage Determination. Apprentices or trainees shall be paid fringe benefits in accordance with the provisions of the respective program. If the program does not specify fringe benefits, employees must be paid the full amount of fringe benefits listed in the Wage Determination.

7. **Overtime**. No Contractor contracting for any part of the construction of the improvements which may require or involve the employment of Laborers or Mechanics shall require or permit any such Laborer or Mechanic in any workweek in which he or she is employed on such construction to work in excess of eight hours in any calendar day or in excess of 40 hours in such workweek unless such Laborer or Mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, whichever is greater.

8. **Payrolls and Basic Records**.

(a) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of its construction of the improvements and preserved for a period of one year thereafter for all Laborers and Mechanics it employed in the construction of the improvements. Such records shall contain the name, address and social security number of each employee, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for fringe benefits or cash equivalents thereof), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the wages of any Laborer or Mechanic include the amount of any costs reasonably anticipated in providing benefits under a

plan or program, the Contractor shall maintain records which show the costs anticipated or the actual costs incurred in providing such benefits and that the plan or program has been communicated in writing to the Laborers or Mechanics affected. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage prescribed in the applicable programs or the Wage Determination.

(b) 1. The Contractor shall submit to the Agency on each Wednesday at noon a copy of the payrolls for the week preceding the previous week in which any construction of the improvements was performed. The payrolls submitted shall set out accurately and completely all of the information required by the Agency's Optional Form, an initial supply of which may be obtained from the Agency. The Contractor if a prime contractor or the Contractor acting as the Contractor is responsible for the submission of copies of certified payrolls by all subcontractors; otherwise each Contractor shall timely submit such payrolls.

2. Each weekly payroll shall be accompanied by the Statement of Compliance that accompanies the Agency's Optional Form and properly executed by the Contractor or his or her agent, who pays or supervises the payment of the employees.

(c) The Contractor shall make the records required under this §8 available for inspection or copying by authorized representatives of the Agency, and shall permit such representatives to interview employees during working hours on the job. On request the Executive Director of the Agency shall advise the Contractor of the identity of such authorized representatives.

9. **Occupational Safety and Health**. No Laborer or Mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his or her safety and health as determined under construction safety and health standards promulgated by Cal-OSHA or if Cal-OSHA is terminated, then by the federal OSHA.

10. **Equal Opportunity Program**. The utilization of apprentices, trainees, Laborers and Mechanics under this part shall be in conformity with the Agency's equal opportunity program set forth in Attachment 5 of this Lease Agreement.

11. **Nondiscrimination Against Employees for Complaints**. No Laborer or Mechanic to whom the wage, salary or other Labor Standards of this Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to these Labor Standards.

12. **Posting of Notice to Employees**. A copy of the Wage Determination referred to in subsection (a) of §4 together with a copy of a "Notice to Employees," in the form appearing on the last page of these Labor Standards, shall be given to the Contractor at the close of escrow. The Notice to Employees and the Wage Determination shall both be posted and maintained by the Contractor in a prominent place readily accessible to all applicants and employees performing construction of the improvements before construction commences. If such Notice and Wage Determination is not so posted or maintained, the Agency may do so.

13. **Violation and Remedies**.

(a) Liability to Employee for Unpaid Wages. The Contractor shall be liable to the employee for unpaid wages, overtime wages and benefits in violation of these Labor Standards.

(b) Stop Work--Contract Terms, Records and Payrolls. If there is a violation of these Labor Standards by reason of the failure of any contract or subcontract for the construction of the improvements to contain the Labor Standards as required by §2 ("Non-Conforming Contract"); or by reason of any failure to submit the payrolls or make records available as required by §8 ("Non-Complying Contractor"), the Executive Director of the Agency may, after written notice to the Contractor with a copy to the Contractor involved and failure to cure the violation within five working days after the date of such notice, stop the construction work under the Non-Conforming Contract or of the Non-Complying Contractor until the Non-Conforming Contract or the Non-Complying Contractor comes into compliance.

(c) Stop Work and Other Violations. For any violation of these Labor Standards the Executive Director of the Agency may give written notice to the Contractor, with a copy to the Contractor involved, which notice shall state the claimed violation and the amount of money, if any, involved in the violation. Within five working days from the date of said notice, the Contractor shall advise the Agency in writing whether or not the violation is disputed by the Contractor and a statement of reasons in support of such dispute (the "Notice of Dispute"). In addition to the foregoing, the Contractor, upon receipt of the notice of claimed violation from the Agency, shall with respect to any amount stated in the Agency notice withhold payment to the Contractor of the amount stated multiplied by 45 working days and shall with the Notice of Dispute, also advise the Agency that the moneys are being or will be withheld. If the Contractor fails to timely give a Notice of Dispute to the Agency or to advise of the withhold, then the Executive Director of the Agency may stop the construction of the improvements under the applicable contract or by the involved Contractor until such Notice of Dispute and written withhold advice has been received.

Upon receipt of the Notice of Dispute and withhold advice, any stop work

which the Executive Director has ordered shall be lifted, but the Contractor shall continue to withhold the moneys until the dispute has been resolved either by agreement, or failing agreement, by arbitration as is provided in §14.

(d) Withholding Certificates of Completion. The Agency may withhold any or all certificates of completion of the improvements provided for in this Agreement, for any violations of these Labor Standards until such violation has been cured.

(e) General Remedies. In addition to all of the rights and remedies herein contained, but subject to arbitration, except as hereinafter provided, the Agency shall have all rights in law or equity to enforce these Labor Standards including, but not limited to, a prohibitory or mandatory injunction. Provided, however, the stop work remedy of the Agency provided above in subsection (b) and (c) is not subject to arbitration.

14. Arbitration of Disputes.

(a) Any dispute regarding these Labor Standards shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further provisions thereof.

(b) The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made a party to the arbitration. Any such person or entity not made a party in the demand for arbitration may intervene as a party and in turn may name any such person or entity as a party.

(c) The arbitration shall take place in the City and County of San Francisco.

(d) Arbitration may be demanded by the Agency, the Tenant or the Contractor.

(e) With the demand for arbitration, there must be enclosed a copy of these Labor Standards, and a copy of the demand must be mailed to the Agency and the Contractor, or as appropriate to one or the other if the Contractor or the Agency is demanding arbitration. If the demand does not include the Labor Standards they are nevertheless deemed a part of the demand. With the demand if made by the Agency or within a reasonable time thereafter if not made by the Agency, the Agency shall transmit to the AAA a copy of the Wage Determination (referred to in §4) and copies of all notices sent or received by the Agency pursuant to §13. Such material shall be made part of the arbitration record.

(f) One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators of the AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the parties fail to select an arbitrator, within seven (7) days from the receipt

of the panel, the AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within 30 days from appointment.

(g) Any party to the arbitration whether the party participates in the arbitration or not shall be bound by the decision of the arbitrator whose decision shall be final and binding on all of the parties and any and all rights of appeal from the decision are waived except a claim that the arbitrator's decision violates an applicable statute or regulation. The decision of the arbitrator shall be rendered on or before 30 days from appointment. The arbitrator shall schedule hearings as necessary to meet this 30-day decision requirement and the parties to the arbitration, whether they appear or not, shall be bound by such scheduling.

(h) Any party to the arbitration may take any and all steps permitted by law to enforce the arbitrator's decision and if the arbitrator's decision requires the payment of money the Contractor shall make the required payments and the Contractor shall pay the Contractor from money withheld.

(i) Costs and Expenses. Each party shall bear its own costs and expenses of the arbitration and the costs of the arbitration shall be shared equally among the parties.

15. **Non-liability of the Agency**. The Contractor and each Contractor acknowledge and agree that the procedures hereinafter set forth for dealing with violations of these Labor Standards are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids for the construction of the improvements, in determining the time for commencement and completion of construction and in proceeding with construction work. Accordingly, the Contractor, and any Contractor, by proceeding with construction expressly waives and is deemed to have waived any and all claims against the Agency for damages, direct or indirect, arising out of these Labor Standards and their enforcement and including but not limited to claims relative to stop work orders, and the commencement, continuance or completion of construction.

ATTACHMENT 5-4

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (OCII)
(SUCCESSOR TO THE SAN FRANCISCO REDEVELOPMENT AGENCY)
DECLARATION FORM
Nondiscrimination in Contracts and Benefits

Section A
Is your company/organization currently certified by the City and County of San Francisco in compliance with Administrative Code 12B Equal Benefits Ordinance and will your company/organization ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts? If yes, please indicate below, skip Section B, and execute the Declaration in Section C. If no, please skip Section A and complete Sections B and C.

☐ My company/organization is certified and compliant with the 12B Equal Benefits Ordinance of the City and County of San Francisco and there has been no change in our 12B Declaration since certification. My company/organization agrees to ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts. (Please check box to affirm, if applicable)

Section B

1. Nondiscrimination—Protected Classes

a. Is it your company/organization's policy that you will not discriminate against your employees, applicants for employment, employees of the Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency) (Agency), or City and County of San Francisco (City), or members of the public for the following reasons:

• Race	❑ Yes	❑ No
• color	❑ Yes	❑ No
• Creed	❑ Yes	❑ No
• Religion	❑ Yes	❑ No
• ancestry	❑ Yes	❑ No
• national origin	❑ Yes	❑ No
• Age	❑ Yes	❑ No
• sex	❑ Yes	❑ No
• sexual orientation	❑ Yes	❑ No
• gender identity	❑ Yes	❑ No
• marital status	❑ Yes	❑ No
• domestic partner status	❑ Yes	❑ No
• Disability	❑ Yes	❑ No
• AIDS or HIV status	❑ Yes	❑ No

b. Do you agree to insert a similar nondiscrimination provision in any subcontract you enter into for the performance of a substantial portion of the contract that you have with the Agency or the City?

❑ Yes ❑ No

If you answered "no" to any part of Question 1a or 1b, the Agency or the City cannot do business with you.

2. Nondiscrimination—Equal Benefits (Question 2 does not apply to subcontracts or subcontractors)

a. Do you provide, or offer access to, any benefits to employees with spouses or to spouses of employees?

❑ Yes ❑ No

b. Do you provide, or offer access to, any benefits to employees with domestic partners (Partners) or to domestic partners of employees?

❑ Yes ❑ No

If you answered "no" to both Questions 2a and 2b, skip 2c and 2d, and sign, date and return this form. If you answered "yes" to Question 2a or 2b, continue to 2c.

c. If "yes," please indicate which ones. This list is not intended to be exhaustive. Please list any other benefits you provide (even if the employer does not pay for them).

Benefit	Yes, for Spouses	Yes, for Partners	No
• Medical (health, dental, vision)	❑	❑	❑
• Pension	❑	❑	❑
• Bereavement	❑	❑	❑
• Family leave	❑	❑	❑
• Parental leave	❑	❑	❑
• Employee assistance programs	❑	❑	❑
• Relocation and travel	❑	❑	❑
• Company discounts, facilities, events	❑	❑	❑
• Credit union	❑	❑	❑
• Child care	❑	❑	❑
• Other _____	❑	❑	❑
• Other _____	❑	❑	❑

d. If you answered "yes" to Question 2a or 2b, and in 2c indicated that you do not provide equal benefits, you may still comply with the Policy if you have taken all reasonable measures to end discrimination in benefits, have been unable to do so, and now provide employees with a cash equivalent.

(1) Have you taken all reasonable measures? ❑ Yes ❑ No

(2) Do you provide a cash equivalent? ❑ Yes ❑ No

3. Documentation for Nondiscrimination in Benefits (Questions 2c and 2d only)

If you answered "yes" to any part of Question 2c or Question 2d, you must attach to this form those provisions of insurance policies, personnel policies, or other documents you have which verify your compliance with Question 2c or Question 2d. Please include the policy sections that list the benefits for which you indicated "yes" in Question 2c. If documentation does not exist, attach an explanation, e.g., some of your personnel policies are unwritten. If you answered "yes" to Question 2d(1) complete and attach form SFRA/CC-103, "Nondiscrimination in Benefits—Reasonable Measures Affidavit," which is available from the Agency. You need not document your "yes" answer to Question 1a or Question 1b.

Section C

I declare (or certify) under penalty of perjury that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this _____ day of _____, 20____, at _____, _____.
(City) (State)

Name of Company/Organization: _____

Doing Business As (DBA): _____

Also Known As (AKA): _____

General Address: _____

Remittance Address (if different from above): _____

Name of Signatory: _____ Title: _____
(Please Print)

Signature: _____

Phone Number: _____ Federal Tax Identification Number: _____

Approximate number of employees in the U.S.: _____ Vendor Number: _____
(if known)

- ❑ Check here if your address has changed.
- ❑ Check here if your organization is a non-profit.
- ❑ Check here if your organization is a governmental entity.

THIS FORM MUST BE RETURNED WITH THE ORIGINAL SIGNATURE

Please return this form to: Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency), One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103

ATTACHMENT 5-5

HEALTH CARE ACCOUNTABILITY POLICY (HCAP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure ("OCII") (as Successor Agency to the Redevelopment Agency) adopted the San Francisco Health Care Accountability Policy (the "HCAP"), which became effective on September 25, 2001. The HCAP requires contractors and subcontractors that provide services to OCII, contractors and subcontractors that enter into leases with OCII, and parties providing services to tenants and sub-tenants on OCII property to choose between offering health plan benefits to their employees or making payments to OCII or directly to their employees.

Specifically, contractors can either: (1) offer the employee minimum standard health plan benefits approved by the OCII Commission; (2) pay OCII FOUR DOLLARS AND FIFTY CENTS ($4.50) per hour for each hour the employee works on the covered contract or subcontract or on property covered by a lease (but not to exceed ONE HUNDRED EIGHTY DOLLARS [$180] in any week) and OCII will appropriate the money for staffing and other resources to provide medical care for the uninsured (rates and amounts effective July 1, 2015 and subject to annual change).

The OCII may require contractors to submit reports on the number of employees affected by the HCAP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the HCAP will have the following effect:

- in each contract, the contractor will agree to abide by the HCAP and to provide its employees the minimum benefits the HCAP requires, and to require its subcontractors to do the same.

- if a contractor does not provide the HCAP's minimum benefits, OCII can award a contract to that contractor **only if** the contract is exempt under the HCAP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII's contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the HCAP to your covered employees, and will ensure that your subcontractors also subject to the HCAP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the HCAP, available from the OCII's Contract Compliance Department at: (415) 749-2400.

Routing. Return this form to: Contact Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the HCAP to our covered employees, and will ensure that our subcontractors also subject to the HCAP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

_____ _____

Signature Date

_____

Print Name

_____ _____

Company Name Phone

ATTACHMENT 5-6

MINIMUM COMPENSATION POLICY (MCP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the Minimum Compensation Policy (MCP), which became effective on September 25, 2001. The MCP requires contractors and subcontractors to provide the following to their employees covered by the MCP on OCII contracts and subcontracts for services: for Commercial Business MCP the wage rate is THIRTEEN DOLLARS AND THIRTY-FOUR CENTS ($13.34) per hour effective January 1, 2016; for Nonprofit MCP the wage rate is TWELVE DOLLARS AND TWENTY-FIVE CENTS ($12.25) per hour effective May 1, 2015 and THIRTEEN DOLLARS ($13.00) per hour effective July 1, 2016. The Minimum Compensation rate is adjusted on January 1 each year. In addition, 12 paid days off per year (or cash equivalent) and 10 days off without pay per year shall be offered.

The OCII may require contractors to submit reports on the number of employees affected by the MCP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the MCP will have the following effect:

- in each contract, the contractor will agree to abide by the MCP and to provide its employees the minimum benefits the MCP requires, and to require its subcontractors subject to the MCP to do the same.

- if a contractor does not provide the MCP minimum benefits, OCII can award a contract to that contractor only if the contract is exempt under the MCP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the MCP to your covered employees, and will ensure that your subcontractors also subject to the MCP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the MCP, available from the OCII's Contract Compliance Department at (415) 749-2400 or http://www.sfocii.org/index.aspx?page=126.

Routing. Return this form to: Contract Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the MCP to our covered employees, and will ensure that our subcontractors also subject to the MCP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Signature	Date
Print Name	
Company Name	Phone

ATTACHMENT 6

Income Computation and Certification

TENANT INCOME CERTIFICATION QUESTIONNAIRE

One Form per Adult Member of the Household

NAME: _____

TELEPHONE NUMBER: ( )_____ ___

Initial Certification
Re-certification
Other

BIN # _____

Unit # _____

INCOME INFORMATION

	YES	No		MONTHLY GROSS INCOME
1.	□	□	I am self employed (List nature of self employment)	(use net income from self-employment only) $_____
2.	□	□	I have a job and receive wages, salary, overtime pay, commissions, fees, tips, bonuses, and/or other compensation: List the businesses and/or companies that pay you: Name of Employer 1)_____ 2)_____ 3)_____	$_____ $_____
3.	□	□	l receive cash contributions or gifts including rent or utility payments, on an ongoing basis from persons not living with me.	$_____
4.	□	□	I receive unemployment benefits.	$_____
5.	□	□	I receive Veteran's Administration, GI Bill, or National Guard/Military benefits/income.	$
6.	□	□	1 receive periodic social security payments.	
7.	□	□	The household receives unearned income from family members age 17 or under (example: Social Security, Trust Fund disbursements, etc.)	
8.	□	□	I receive Supplemental Security Income (SSI).	$
9.	□	□	I receive disability or death benefits other than Social Security,	$
10.	□	□	I receive Public Assistance Income (examples: TANF, AFDC)	$
11.	□	□	L am entitled to receive child support payments. I am currently receiving child support payments. It' yes, from how many persons do you receive support'? I am currently making efforts to collect child support owed to me. List efforts being made to collect child support:	 $ $
12.	□	□	I receive alimony/spousal support payments	$
13.	□	□	I receive periodic payments from trusts, annuities, inheritance, retirement funds or pensions, insurance policies, or lottery winnings. If yes, list sources: 1) 2)	$ $
14.	□	□	I receive income from real or personal property.	(use net earned income) $
15.	□	□	Student financial aid (public or private, not including student loans) Subtract cost of tuition from Aid received **For Households receiving Section 8 Assistance Only*	$

ASSET INFORMATION

	YES	NO		INTEREST RATE	CASH VALUE
16.	☐	☐	I have a checking account(s). [If yes, list bank(s) 1) _____ 2) _____	____% ____%	$ _____ $ _____
17.	☐	☐	I have a savings account(s) If yes, list bank(s) 1) _____ 2) _____	____% ____%	$ _____ $ _____
18.	☐	☐	I have a revocable trust(s) If yes, list bank(s) 1) _____	____%	$ _____
19.	☐	☐	I own real estate. If yes, provide description: _____	____%	$ _____
20.	☐	☐	I own stocks, bonds, or Treasury Bills If yes, list sources/bank names 1) _____ 2) _____ 3) _____	____% ____% ____%	$ _____ $ _____ $ _____
21.	☐	☐	I have Certificates of Deposit (CD) or Money Market Account(s). If yes, list sources/bank names 1) _____ 2) _____ 3) _____	____% ____% ____%	$ _____ $ _____ $ _____
22.	☐	☐	I have an IRA/Lump Sum Pension/Keogh Account/401K. If yes, list bank(s) 1) _____ 2) _____	____% ____%	$ _____ $ _____
23.	☐	☐	I have a whole life insurance policy. If yes, how many policies: _____		$ _____
24.	☐	☐	I have cash on hand.		$ _____
25.	☐	☐	I have disposed of assets (i.e. gave away money/assets) for less than the fair market value in the past 2 years. If yes, list items and date disposed: 1) _____ 2) _____		$ _____ $ _____

STUDENT STATUS

YES	NO	
☐	☐	Does the household consist of all persons who are Full-time students (Examples: K-12, College, Trade School, etc.)?
☐	☐	Does the household consist of all persons who have been a Full-time student 5 months in the current calendar year?
☐	☐	Does your household anticipate becoming an all full-time student household in the next 12 months?
☐	☐	If you answered yes to any of the previous three questions are you: • Receiving assistance under Title IV of the Social Security Act (AFDC/TANF/Cal Works - not SSA/SS I) • Enrolled in a job training program receiving assistance through the Job Training Participation Act (JTPA) or other similar program • Married and tiling (or **are entitled** to file) a joint tax return • Single patent with a dependent child or children and neither you nor your children) are dependent of another individual • Previously enrolled in the Foster Care program (currently age 18-24)
☐	☐	
☐	☐	
☐	☐	
☐	☐	

UNDER PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PRESENTED ON THIS FORM IS TRUE AND ACCURATE TO THE BEST OF MY/OUR KNOWLEDGE. THE UNDERSIGNED FURTHER UNDERSTANDS THAT PROVIDING FALSE REPRESENTATIONS HEREIN CONSTITUTES AN ACT OF FRAUD. FALSE, MISLEADING OR INCOMPLETE INFORMATION WILL RESULT IN THE DENIAL OF APPLICATION OR TERMINATION OF THE LEASE AGREEMENT.

PRINTED NAME OF APPLICANT/TENANT _____ SIGNATURE OF APPLICANT/TENANT _____ DATE _____

WITNESSED BY (SIGNATURE OF OWNER/REPRESENTATIVE) _____ DATE _____

TENANT INCOME CERTIFICATION

□ Initial Certification □ 1st Recertification □ Other_____

Effective Date: _____
Move-in Date: _____
(MM/DD/YYYY)

PART I - DEVELOPMENT DATA

Property Name:_____ County:_____ BIN #:_____

Address: _____ Unit Number: _____ # Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Mbr#	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (Mtvii/DD/YYYY)	Fa Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						
7						

PART III. GROSS ANNUAL INCOME

HHf Mbr#	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D), above TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
	TOTALS:		$	$

Enter Column (H) Total If over $5000 $_____ X Passbook Rate 2.0% = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income **TOTAL INCOME FROM ASSETS (K)** **$**

(L) Total Annual Household Income from all Sources [Add (E) + (K)] **$**

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

_____ _____ _____ _____
Signature *(Date)* Signature *(Date)*

_____ _____ _____ _____
Signature *(Date)* Signature *(Date)*

PART V. DETERMINATION OF INCOME ELIGIBILITY

RECERTIFICATION ONLY:

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1 $

Current Income Limit x 140%: $

Household Income exceeds 140% at recertification: ❑ Yes ❑Na

Current Income Limit per Family Size: $

Household Income at Move-in: $

Household Size at Move-in:

PART VI. RENT

S

Tenant Paid Rent $
Utility Allowance

Rent Assistance: $
Other non-optional charges: $

GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges) $

Unit Meets Rent Restriction

❑60% ❑50% ❑40% ❑30% ❑____%

Maximum Rent Limit for this unit: $

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?

❑ yes ❑ no

If yes, Enter student explanation* (also attach documentation)

Enter 1-5

*Student Explanation:
I AFDC / TANF Assistance
2 Job Training Program
3 Single Parent/Dependent Child
4 Married/Joint Return
5 Former Foster Care

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a, through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ❑	b. HOME ❑	c. Tax Exempt ❑	d. AHDP ❑	c. _____ ❑ *(Name of Program)*
See Part V above.	*Income Status*	*Income Slants*	*Income Status*	*Income Status*
	❑ ≤ 50% AMGI	❑ 50% AMGI	❑ 50% AMGI	❑ _____
	❑ ≤ 60% AMGI	❑ 60% AMGI	❑ 80% AMGI	❑ _____
	❑ ≤ 80% AMGI	❑ 80% AMGI	❑ OI**	
	❑ OI**	❑ OI**		❑ OI**

**Upon recertification, household was determined over-income (O1) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part 11 of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE DATE

INSTRUCTIONS FOR COMPLETING
TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e.. a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date	Enter the date the tenant has or will take occupancy of the unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN /1	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).
Address	Enter the address of the building.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	-	Head of Household	S	-	Spouse
A	-	Adult co-tenant	O	-	Other family member
C	-	Child	F	-	Foster child(ren/adult(s)
L	-	Live-in caretaker	N	-	None of the above

Enter the date of birth, student status, and social security number or alien registration number for each occupant.

If there are more than 7 occupants. use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to he received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List each respective household member number from Part II. Include anticipated income only if documentation exists verifying pending employment. If any adult states zero-income, please note "zero" ill the columns of Part III.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.

Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (0), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than FIVE THOUSAND DOLLARS ($5,000.00), you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (I)	Enter the greater of the total in Column (I) or (J)
Row (L)	Total Annual Household Income From all Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V - Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in Household size at move in	For recertifications, only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.

Current Income Limit x 140%	For recertifications only. Multiply the Current Maximum Move-in Income Limit by **140% and enter the total. 140% is based on the Federal Set-Aside of 20/50 or 40/60, as elected by the owner for the property, not deeper targeting elections of 30%, 40%, 45%, 50%, etc.** Below, indicate whether the household income exceeds that total. lf the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8)
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check "yes". if at least one household member is not a full time student, check "no".

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by die school the student attends.*

Part VIII - Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. tithe property does not participate in the HOME, Tax-Exempt Bond. Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicting the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will

	count towards the set-aside requirements, mark the appropriate box indicting the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

ATTACHMENT 7

Intentionally Omitted.

ATTACHMENT 8

Consent To Leasehold Mortgage

Date:

Office of Community Investment and Infrastructure, Successor to the San Francisco Redevelopment Agency
Attn: Executive Director
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

RE: _____, San Francisco (LEASEHOLD MORTGAGE)

Dear Sir or Madam:

Pursuant to Section 26.01 of the _____ Ground Lease, dated _____, between the Office of Community Investment and Infrastructure ("Successor Agency") and _____, we are formally requesting the Successor Agency's consent to our placing a leasehold mortgage upon the leasehold estate of the above referenced development. The following information is provided in order for the Successor Agency to provide its consent:

Lender: _____
Principal Amount: _____
Interest: _____
Term: _____

Attached hereto are unexecuted draft loan documents, including the loan agreement, promissory note, and all associated security agreements which we understand are subject to the review and approval by the Successor Agency. Furthermore, we are willing to supply any additional documentation related to the leasehold mortgage which the Successor Agency deems necessary.

Sincerely,

_____
Printed Name and Title

enc.

_____
By signing this letter, the Successor Agency consents to the leasehold mortgage, pursuant to the terms and conditions of Section 26.01 of the _____ Ground Lease dated _____.

Office of Community Investment and Infrastructure

_____
Printed Name and Title

ATTACHMENT 9

Rent Restrictions*

Unit Type	Number of Units	Avg. Sq. Feet	Max. Rent	Max % AMI	Rent or Operating Subsidies
Studio	2	399	$1,210	60%	LOSP
Studio	10	399	$1,210	60%	HUD-VASH
1BR	5	460	$1,384	60%	LOSP
1BR	45	460	$1,384	60%	HUD-VASH
1BR	3	507	$1,384	60%	None
1BR	2	507	$1,384	60%	None
2BR	19	742	$1,556	60%	None
2BR	11	742	$1,556	60%	None
2BR	1	-	-	-	Manager
3BR	11	1,022	$1,730	60%	None
3BR	10	1,022	$1,730	60%	None
Total Units	119	629			

* The foregoing schedule represents the rent restrictions in place at the time of execution (2017) of this Agreement. The maximum rent levels shall be updated upon commencement of leasing of the Project, and the updated numbers shall be the applicable maximum rents for the first year of leasing of the Project. The rents are subject to change according to MOHCD's maximum monthly rent schedule published on an annual basis. Area median income is determined by HUD for the San Francisco area, adjusted solely for household size.

In the event that the LOSP or VASH subsidy to the Project terminates, these requirements shall terminate for these Units, and the maximum income level allowed for such Units shall be 60% of Median Income

Maximum Rent charged to each Qualified Tenant may not exceed the amounts set forth in MOHCD's "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," published on an annual basis, based upon the maximum applicable target AMIs provided in the table above, provided that maximum Rent for Qualified Tenants for Units for which VASH assistance is available is the fair market rent established by SFHA and HUD or other Governmental Agency with jurisdiction over the rental subsidy program.

Unless prohibited under any applicable Law or the rules and regulations governing any Project funding source, each residential lease must provide for termination of the lease upon 120 days' prior written notice in the event that Tenant's annual income certification indicates that the Tenant's household income exceeds 140 percent of Median Income.

Annual Rent increases for Units will be limited as follows:

(i) for all Units, except as permitted herein, annual Rent increases will be limited to the lesser of: (A) the amount which would result in a rent equal to the maximum rent permitted for the unit or (B) the amount which corresponds to the percentage of the annual increase in Median Income published by HUD; and,

(ii) for Units occupied by over-income Tenants, rent charged may not exceed thirty percent (30%) of the over-income Tenant's adjusted household income.

With the OCII's prior written approval and in accordance with maximum rent limitations set forth above and all applicable restrictions, Rent increases for Units exceeding the amounts permitted herein will be permitted in order to recover increases in Project Expenses, but in no event may single or aggregate increases exceed ten percent (10%) per year, unless such an increase is contemplated in a OCII-approved temporary relocation plan or when the increase is caused by an increase in certified income. OCII approval for such rent increases that are necessary to meet all approved Project Expenses and financial obligations shall not be unreasonably withheld.

AMENDED AND RESTATED LOAN AGREEMENT
(sf.citi/Hamilton Family Foundation Donation, Redevelopment Property Tax Trust Funds, 1180 4th Street Excess Proceeds, Mission Bay Block 1 Developer Fees, and SB107 Bond Proceeds)

By and Between

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO,
a public body, organized and existing under the laws of California

and

MB3E, L.P.,
a California limited partnership,

for

MISSION BAY SOUTH BLOCK 3 EAST
1150 3rd Street
[$20,093,600]

Dated as of _____, 2017

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*** * * * * ***

EXHIBITS

A	Schedules of Income and Rent Restrictions
B-1	Table of Sources and Uses of Funds
B-2	Annual Operating Budget
B-3	20-Year Cash Flow Proforma
C	Form of Tenant Income Certification
D	Form of Promissory Note
E	Contract Compliance Policies
F	Insurance Requirements
G	Lobbying/Debarment Certification Form
H	Form of Annual Monitoring Report
I	Tenant Selection Plan Policy
J	Form Deed of Trust
K	Form of Declaration of Restrictions
L	Schedule of Performance
M	OCII Monthly Project Update Form
N	Developer Fee Schedule
O	Assignment of Work Product
P	Consent to Assignment of Work Product
Q	Legal Description of the Site
R	Final Financial Plan Confirmation Letter
S	Operational Rules for San Francisco Housing Lotteries and Rental Lease-Up Activities
T-1	Early Outreach Plan Template
T-2	Marketing Plan Template and Tenant Selection Plan Template
T-3	Marketing Process and Timeline

AMENDED AND RESTATED
LOAN AGREEMENT
(sf.citi/Hamilton Family Foundation Donation, Redevelopment Property Tax Trust Funds, 1180 4th Street Excess Proceeds, Mission Bay Block 1 Developer Fees, and SB107 Bond Proceeds)

THIS AMENDED AND RESTATED LOAN AGREEMENT (**"Agreement"**) is entered into as of _____, 2017, by and between the **SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**, hereafter referred to as the Office of Community Investment and Infrastructure, a public body organized and existing under the laws of the State of California ("OCII"), and **MB3E, L.P.,** a California limited partnership, whose general partners are CCDC-1150 3rd Street, LLC, an affiliate of Chinatown Community Development Center, and Swords-1150 3rd Street, LLC, an affiliate of Swords to Plowshares, (**"Borrower"**).

RECITALS

A. In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 et seq. the **"CRL"**), the Redevelopment Agency of the City and County of San Francisco ("Former Agency") would undertake programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (the **"City"**).

B. In accordance with the CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project Area (the **"Project Area"**) by Ordinance No. 335-98 adopted on November 2, 1998. The Redevelopment Plan is referred to as the **"Mission Bay South Redevelopment Plan."** In cooperation with the City, the Former Agency was responsible for implementing the Mission Bay South Redevelopment Plan.

C. On September 17, 1998, the Redevelopment Agency Commission adopted Resolution No. 182-98 which certified the Final Subsequent Environmental Impact Report ("FSEIR") for the Mission Bay North and Mission Bay South Redevelopment Plans pursuant to the California Environmental Quality Act ("CEQA") and State CEQA Guidelines Sections 15168 (Program EIR) and 15180 (Redevelopment Plan EIR). On the same date, the Redevelopment Agency Commission also adopted Resolution No. 183-98, which adopted environmental findings (and a statement of overriding considerations), in connection with the approval of the Plan and other Mission Bay project approvals (the "Mission Bay Project"). The San Francisco Planning Commission ("Planning Commission") certified the FSEIR by Resolution No. 14696 on the same date. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132 affirming certification of the FSEIR by the Planning Commission and the Agency, and Resolution No. 854-98 adopting environmental findings and a statement of overriding considerations for the Mission Bay Project.

D. The Mission Bay South Redevelopment Plan provides for the redevelopment, construction and revitalization of the area generally bounded by the China Basin Channel, Seventh and Mariposa Streets, and the San Francisco Bay and containing approximately 238 acres of land. The Mission Bay South Redevelopment Plan anticipates and describes a mixed-use development comprised of public open space, retail, commercial, entertainment uses, and parking and loading uses.

E. The Mission Bay South Owner Participation Agreement (the "OPA") between the Agency and FOCIL-MB, LLC (the "Master Developer") provides that the Master Developer will contribute land to the Former Agency, at no cost, for the development of affordable housing and the Agency will oversee the development of up to one thousand four hundred forty-five (1,445) affordable housing units in the Project Area. 1150 3rd Street at Block 3 East (the **"Site"**) is located in the Project Area and is part of this land contribution.

F. Under California Pursuant to the State Assembly Bill No. 1X26 (Chapter 5, Statutes of 2011-12, first Extraordinary Session) (**"redevelopment dissolution law known as AB X1 26"**), as, which was subsequently amended under AB 1484 and further amended by California State Assembly Bill No. 1484 (**"AB 1484"**) subsequent legislation (together, the **"Dissolution Law"**), the Former Agency was dissolved as a matter of law on February 1, 2012.

G. On October 2, 2012 the San Francisco Board of Supervisors, acting as legislative body of OCII as the successor to the Successor Agency, passed Ordinance 215-12, which outlined the rights and responsibilities of OCII as the Former Agency's successor agency, including but not limited to certain the retained existing enforceable obligations for the development of affordable housing. Accordingly, under Ordinance 215-12 and Dissolution Law, OCII has the obligation and authority to enter into this Agreement to allow required for the development of the Project as defined in **Recital K**.

H. On January 24, 2014, the California Department of Finance ("DOF") determined "finally and conclusively" that the Mission Bay OPAs and tax allocation pledge agreements are enforceable obligations under the Dissolution Law. These obligations require OCII to develop and fund affordable housing in the Project Area.

I. On April 24, 2015, OCII issued a Housing Development Request for Proposals (the "RFP") for the development and management of up to 101 rental units serving formerly homeless veterans and low-income families at the Site. OCII staff made extensive outreach efforts to attract submittals from qualified developers by the June 24, 2015 deadline. The RFP set forth specific submission requirements to be met in order for it to be fully reviewed by OCII staff. The RFP also set forth that OCII would seek to enter into an exclusive negotiations agreement for development rights on the Site.

J. OCII staff received three submittals, all of which met the minimum threshold requirements defined in the RFP. After a thorough review of the submittal, an interview with an interdisciplinary evaluation panel, and presentation to the Mission Bay Citizens Advisory

Committee, the evaluation panel unanimously determined the development team lead by Chinatown Community Development Center, Swords to Plowshares, and Leddy Maytum Stacy Architects had the strongest submittal and was well-suited to develop the Project as defined below in **Recital K**.

K. To achieve improved economies of scale and financial feasibility, as well as an increased total unit count at the Site, the Developer requested and OCII staff approved the addition of up to 18 more affordable units. Thus, the Developer intends to construct on the Site one hundred nineteen (119) units (which includes one unrestricted manager's unit) of affordable rental housing serving formerly homeless veterans and low-income families, associated community and services spaces, and parking in an enclosed podium garage (collectively, the **"Improvements"**). The Improvements include all physical construction on the Site as further set forth in Design Development Documents for this Project approved December 2015. Design and construction of the Improvements shall be referred to herein as the **"Project."**

L. Pursuant to OCII Commission Resolution No.9-2016, OCII entered into an Exclusive Negotiations Agreement ("ENA") and provided predevelopment loan funds totaling **TWO MILLION FIVE HUNDRED THOUSAND AND No/100 DOLLARS ($2,500,000.00**) to Borrower to fund certain costs related to the development of the Project (the **"Predevelopment Loan Amount"**).

M. At its June 23, 2017 meeting, the Citywide Affordable Housing Loan Committee (the **"Loan Committee"**) reviewed and approved OCII staff's evaluation of the request for **EIGHTEEN MILLION NINTY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($18,093,600.00**) in gap funding, for an aggregate loan amount of up to **TWENTY MILLION FIVE HUNDRED NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($20,593,600.00)**, to proceed to the OCII Commission for approval.

N. On November 7, 2017, the OCII Commission approved an aggregate loan (the **"Loan"**) in the amount of [**TWENTY MILLION NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($20,093,600.00) ("Funding Amount")**].

O. Pursuant to Ordinance 215-12, Resolution No. 11-2012, the DOF "final and conclusive" determination, and Dissolution Law, OCII has the obligation and authority to provide the Funding Amount for the Project.

P. For purposes of implementation and to ensure consistency with the City's overall affordable housing goals and priorities, OCII has engaged the Mayor's Office of Housing and Community Development (**"MOHCD"**) to provide additional services, including: construction monitoring, design review, and processing loan disbursements. Upon completion of the project, OCII intends to transfer the affordable housing loan obligation, asset, and ground lease to MOHCD as the designated Successor Housing Agency of the City and County of San Francisco under Board Resolution 11-12, as required by Dissolution Law.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

ARTICLE 1 DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following words and phrases have the following meanings:

"Accounts" means all depository accounts, including reserve and trust accounts, required or authorized under this Agreement or otherwise by the OCII in writing. All Accounts must be maintained in accordance with **Section 2.3**.

"Agreement" has the meaning given in the first paragraph hereto.

"Annual Operating Budget" means an annual operating budget for the Project attached hereto as Exhibit B-2, which may not be adjusted without OCII's prior written approval. The Final Financial Plan for the Project, including the Annual Operating Budget, is subject to approval by the MOHCD Director and the OCII Executive Director, prior to the Loan Closing Date.

"Assignment of Work Product" means the assignment of work product executed by Borrower granting OCII a security interest in the Work Product to secure Borrower's performance under this Agreement and the Note prior to the Loan Closing Date, in substantially the form and substance attached hereto as **Exhibit O**.

"Authorizing Resolutions" means: (a) in the case of a corporation, a certified copy of resolutions adopted by its board of directors; (b) in the case of a partnership (whether general or limited), a certificate signed by all of its general partners; and (c) in the case of a limited liability company, a certified copy of resolutions adopted by its board of directors or members, satisfactory to the City and evidencing Borrower's authority to execute, deliver and perform the obligations under the OCII Documents to which Borrower is a party or by which it is bound.

"Borrower" means MB3E, L.P., a California limited partnership, and its authorized successors and assigns.

"CFR" means the Code of Federal Regulations.

"Charter Documents" means: (a) in the case of a corporation, its articles of incorporation and bylaws; (b) in the case of a partnership, its partnership agreement and any certificate or statement of partnership; and (c) in the case of a limited liability company, its operating agreement and any LLC certificate or statement. The Charter Documents must be delivered to OCII in their original form and as amended from time to time and be accompanied by a certificate of good standing for Borrower issued by the California Secretary of State and, if Borrower is organized under the laws of a state other than California, a certificate of good

standing issued by the Secretary of State of the state of organization, issued no more than ninety (90) days before the Agreement Date.

"City" means the City and County of San Francisco, a municipal corporation, represented by the Mayor, acting by and through MOHCD. Whenever this Agreement provides for a submission to the City or an approval or action by the City, this Agreement refers to submission to or approval or action by MOHCD unless otherwise indicated.

"CNA" means a 20-year capital needs assessment or analysis of replacement reserve requirements.

"Completion Date" has the meaning set forth in **Section 5.6**.

"Compliance Term" has the meaning set forth in **Article 3**.

“Construction Contract” has the meaning set forth in **Section 5.2**.

“Control of the Site” means Borrower’s acquisition of fee ownership or a leasehold interest in the Site.

“Conversion Date” means the date upon which Borrower’s institutional construction financing converts to a permanent phase requiring payments of principal amortized over the term of the Loan.

“CRL” has the meaning set forth in **Recital A**.

"Declaration of Restrictions" means a recorded declaration of restrictions in substantially the form and substance attached hereto as **Exhibit K** that requires Borrower and the Project to comply with the use restrictions in this Agreement for the Compliance Term, even if the Loan is repaid or otherwise satisfied, this Agreement terminates or the Deed of Trust is reconveyed.

"Deed of Trust" means the deed of trust executed by Borrower granting OCII a lien on the Borrower’s leasehold interest under the Ground Lease and the Project to secure Borrower's performance under this Agreement and the Note, in substantially the form and substance attached hereto as **Exhibit J**.

“Deferred Developer Fees” means the portion of the Developer Fee, if any, that is deferred for payment at the time of the audit performed by Borrower after completion of construction of the Project.

“Department of Building Inspection” has the meaning set forth in **Section 5.2**.

"Developer" means MB3E, L.P., a California limited partnership whose general partners are CCDC-1150 3rd Street, LLC, an affiliate of Chinatown Community Development Center, and Swords-1150 3rd Street, LLC, an affiliate of Swords to Plowshares, and their authorized successors and assigns.

"Developer Fees" has the meaning set forth in **Section 15.1**.

"Development Expenses" means all costs incurred by Borrower and approved by the City in connection with the development of the Project, including: (a) hard and soft development costs; (b) deposits into required capitalized reserve accounts; (c) costs of converting Project financing, including bonds, into permanent financing; (d) the expense of a cost audit; and (e) allowed Developer Fees.

"Development Proceeds" means the sum of: (a) funds contributed or to be contributed to Borrower by Borrower's limited partner as capital contributions, equity or for any other purpose under Borrower's limited partnership agreement; and (b) the proceeds of all other financing for the Project.

"Disbursement" means the disbursement of all or a portion of the Funding Amount by OCII as described in **Article 4**.

"Dissolution Law" has the meaning set forth in **Recital F.**

"Distributions" has the meaning set forth in **Section 13.1**.

"Environmental Activity" means any actual, proposed or threatened spill, leak, pumping, discharge, leaching, storage, existence, release, generation, abatement, removal, disposal, handling or transportation of any Hazardous Substance from, under, into or on the Site.

"Environmental Laws" means all present and future federal, state, local and administrative laws, ordinances, statutes, rules and regulations, orders, judgments, decrees, agreements, authorizations, consents, licenses, permits and other governmental restrictions and requirements relating to health and safety, industrial hygiene or the environment or to any Hazardous Substance or Environmental Activity, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (commonly known as the "Superfund" law) (42 U.S.C. §§ 9601 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (42 U.S.C. §§ 6901 *et seq.*); the National Environmental Policy Act of 1969 ("NEPA") (24 CFR §§ 92 and 24 CFR §§ 58); the California Hazardous Substance Account Act (also known as the Carpenter-Presley-Tanner Hazardous Substance Account Law and commonly known as the "California Superfund" law) (Cal. Health & Safety Code §§ 25300 *et seq.*); and the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65") (Cal. Health & Safety Code §§ 25249.2 *et seq.*); and Sections 25117 and 25140 of the California Health & Safety Code.

"Escrow Agent" means the escrow agent for the title company issuing the Title Policy.

"Event of Default" has the meaning set forth in **Section 19.1**.

"Excess Development Proceeds" means Development Proceeds remaining after payment of Development Expenses.

"Expenditure Request" means a written request by Borrower for a Disbursement from the Funding Amount, which must certify that the Project costs covered by the Expenditure Request have been paid or incurred by Borrower.

"Final Financial Plan" means the Table of Sources and Uses, the Annual Operating Budget and 20-Year Cash Flow as (Exhibits B-1, B-2, and B-3) as they may be revised and approved by the MOHCD Director and the OCII Executive Director prior to the Loan Closing Date. If so revised, final approved revisions, in the form of the Final Financial Plan Confirmation Letter will be attached as Exhibit R to this Agreement on or prior to the Loan Closing Date.

"Final Financial Plan Confirmation Letter" means a letter documenting the approved Final Financial Plan and any subsequent adjustments to this document, including interest rate and distribution of surplus cash.

"Funding Amount" has the meaning set forth in **Recital M**. The Final Financial Plan for the Project, including the Funding Amount, is subject to approval by the MOHCD Director and the OCII Executive Director prior to the Loan Closing Date.

"GAAP" means generally accepted accounting principles in effect on the date of this Agreement and at the time of any required performance.

"General Partner" means collectively CCDC-1150 3rd Street, LLC, an affiliate of Chinatown Community Development Center and Swords-1150 3rd Street, LLC, an affiliate of Swords to Plowshares, and their authorized successors and assigns.

"Governmental Agency" means: (a) any government or municipality or political subdivision of any government or municipality; (b) any assessment, improvement, community facility or other special taxing district; (c) any governmental or quasi-governmental agency, authority, board, bureau, commission, corporation, department, instrumentality or public body; or (d) any court, administrative tribunal, arbitrator, public utility or regulatory body.

"Ground Lease" means the ground lease of the Site naming Borrower as tenant and OCII as landlord, to be executed on or before the Loan Closing Date, subject to approval of the MOHCD Director and OCII Executive Director.

"Hazardous Substance" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Substance includes any material or substance listed, defined or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as "hazardous" or "toxic" under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the construction, operation or maintenance of developments similar to the Project will not be deemed "Hazardous Substances" for the purposes of this Agreement if used in compliance with applicable Environmental Laws.

"HCD" means the California Department of Housing and Community Development.

"HSH" means the San Francisco Department of Homelessness and Supportive Housing.

"HUD" means the United States Department of Housing and Urban Development acting by and through the Secretary of Housing and Urban Development and any authorized agents.

"Income Restrictions" means the maximum household income limits for Qualified Tenants, as set forth in **Exhibit A**.

"Indemnify" means, whenever any provision of this Agreement requires a person or entity (the "Indemnitor") to Indemnify any other entity or person (the "Indemnitee"), that the Indemnitor will be obligated to defend, indemnify and protect and hold harmless the Indemnitee, its officers, employees, agent, constituent partners, and members of its boards and commissions harmless from and against any and all Losses arising directly or indirectly, in whole or in part, out of the act, omission, event, occurrence or condition with respect to which the Indemnitor is required to Indemnify an Indemnitee, whether the act, omission, event, occurrence or condition is caused by the Indemnitor or its agents, employees or contractors, or by any third party or any natural cause, foreseen or unforeseen; *provided that* no Indemnitor will be obligated to Indemnify any Indemnitee against any Loss arising or resulting from the gross negligence or intentional wrongful acts or omissions of the Indemnitee or its agents, employees or contractors. If a Loss is attributable partially to the grossly negligent or intentionally wrongful acts or omissions of the Indemnitee (or its agents, employees or contractors), the Indemnitor must Indemnify the Indemnitee for that part of the Loss not attributable to its own grossly negligent or intentionally wrongful acts or omissions or those of its agents, employees or contractors.

"Indemnitee" has the specific meaning set forth in **Section 23.1** and the general meaning set forth in the definition of "Indemnify."

"Indemnitor" has the meaning set forth in the definition of "Indemnify."

"Investor Limited Partner" means the tax credit equity investor who will be admitted as a limited partner of Borrower concurrent with Loan Closing.

"IRS Tax Credit Rules" shall mean all laws, rules, regulations, ordinances and statutes relating to or governing the Tax Credits, including, but not limited to, Section 42 of the Internal Revenue Code, as it may be amended from time to time.

"Laws" means all statutes, laws, ordinances, regulations, orders, writs, judgments, injunctions, decrees or awards of the United States or any state, county, municipality or Governmental Agency, including the CRL.

"Limited Partner" is defined as the entity that invests in the Project as part of the Low Income Housing Tax Credit allocation awarded to the Project.

"Loan" has the meaning set forth in **Recital M.**

"Loan Closing" means the date on which all conditions to closing of the Loan under Section 4.3 have been met and Borrower and OCII authorize recordation of the Deed of Trust and Declaration of Restrictions.

"Loan Closing Date" means the date on which OCII and the Borrower authorize Loan Closing and the Deed of Trust and Declaration of Restrictions are recorded in the Official Records.

"Loan Committee" has the meaning set forth in **Recital M**.

"Loan Documents" means that certain this Agreement, Note, Deed of Trust, Declaration of Restrictions, and any other documents executed or delivered in connection with the Loan, all dated _____, 2017, as amended.

"Local Operating Subsidy Program" or **"LOSP"** means the program operated by the City's Mayor's office of Housing and Community Development in conjunction with the City's Department of Public Health and the City's Human Services Agency to provide operating subsidies to affordable housing units that house formerly homeless people who have been referred by the aforementioned City departments.

"LOSP Units" means units that will receive an annual operating subsidy from LOSP.

"Loss" or "Losses" includes any loss, liability, damage, cost, expense or charge and reasonable attorneys' fees and costs, including those incurred in a proceeding in court or by mediation or arbitration, on appeal or in the enforcement of OCII's or the City's rights or in defense of any action in a bankruptcy proceeding.

"Maturity Date" has the meaning set forth in **Section 3.2**.

"Median Income" means area median income as determined by HUD for the San Francisco area, adjusted solely for actual household size.

"MOHCD" means the Mayor's Office of Housing and Community Development or its successor. Under Dissolution Law, the Board of Supervisors of the City and County of San Francisco has designated MOHCD as the Housing Successor to the former Redevelopment Agency. Therefore, MOHCD will acquire OCII's interest in the Project upon OCII's issuance of a certificate of completion, as described in the Memorandum of Understanding for the implementation of Affordable Housing Obligations under San Francisco Successor Agency Ordinance 215-12 between OCII and MOHCD (May 6, 2014).

"Note" means the promissory note executed by Borrower in favor of OCII in the original principal amount of the Funding Amount, attached hereto as Exhibit D. The prior note for the Predevelopment Loan Amount has been cancelled and returned to Borrower, and the Predevelopment Loan Amount is now part of the Funding Amount.

"OCII" means the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, known as the Office of Community Investment and Infrastructure.

"OCII Documents" means this Agreement, the Note, the Deed of Trust, the Declaration of Restrictions, the Assignment of Work Product and any other documents executed or, delivered in connection with this Agreement.

"OCII Monthly Project Update" has the meaning set forth in **Section 10.2**.

"Official Records" has the meaning set forth in **Section 3**.

"One Hundred Percent Occupancy" means the date on which the Developer can evidence executed leases and residency for all 118 affordable units in the Project.

"Operating Reserve Account" has the meaning set forth in **Section 12.2**.

"Opinion" means an opinion of Borrower's California legal counsel, satisfactory to OCII and its legal counsel, that Borrower is a duly formed, validly existing California limited partnership in good standing under the laws of the State of California, has the power and authority to enter into the OCII Documents and will be bound by their terms when executed and delivered, and that addresses any other matters OCII reasonably requests.

"Payment Date" means the first May 1st following the Completion Date and each succeeding until the Maturity Date.

"Permitted Exceptions" means liens in favor of OCII, real property taxes and assessments that are not delinquent, and any other liens and encumbrances OCII expressly approves in writing in its escrow instructions.

"Predevelopment Loan Amount" has the meaning set forth in **Recital L**. Borrower and Lender hereby acknowledge that, at the time of the execution of the Predevelopment Loan documents, it was intended by the parties that, subject to the consent of OCII, the principal amount of the Predevelopment Loan might be adjusted or aggregated with additional gap financing to the extent necessary to meet the Borrower's pre-construction and construction financing needs. Pursuant to that understanding, the parties agree that the principal amount of the Predevelopment Loan may be effectively increased by up to **EIGHTEEN MILLION NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($18,093,600.00**) by the Loan, and that such increased principal amount is reflected in the Note and the Deed of Trust.

"Project" means the development described in **Recital K**. If indicated by the context, "Project" means the Site and the improvements developed on the Site.

"Project Area" has the meaning set forth in **Recital B**.

"Project Expenses" means the following costs, which may be paid from Project Income to the extent of available Project Income pursuant to the Annual Operating Budget approved prior to the Loan Closing Date by OCII Executive Director and MOHCD Director as part of the Final Financial Plan, if any, and otherwise as follows: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments and premiums for insurance required under this Agreement or by other lenders providing secured financing for the Project; (b) salaries, wages and any other compensation due and payable to the employees or agents of Borrower employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) required payments of interest and principal, if any, on any senior financing secured by the Borrower's leasehold interest in the Ground Lease and improvements constructed thereon, and used to finance the Project that has been approved by OCII; (d) all other expenses actually incurred to cover operating costs of the Project, including supportive services costs (if any), maintenance and repairs and the fee of any managing agent, each as indicated in the Annual Operating Budget; (e) credit adjuster payments including interest; (f) required, and necessary, deposits to the Replacement Reserve Account, Operating Reserve Account and any other reserve account required under this Agreement; (g) annual base rent payments under the Ground Lease in an amount equal to **FIFTEEN THOUSAND AND No/100 DOLLARS ($15,000.00)**; (h) an initial issuer fee equal to [25] basis points on the total bond issuance or [$_____] and an annual bond monitoring fee equal to the greater of [12.5] basis points on the outstanding bond amount or [$4,000] per year with no annual increases , (i) mandatory interest payment(s) payable to HCD for any loan made by HCD to Tenant for the Project; (j) annual asset management fee (other than management fees that are defined below as "Project Fees") indicated in the Annual Operating Budget and approved by MOHCD and OCII prior to the Effective Date, which, when combined with the annual partnership fee payable as a Project Fee, shall not exceed $39,500 plus any

permitted annual increase; and (k) any extraordinary expenses approved in advance by OCII (other than expenses paid from any reserve account). Project Fees are not Project Expenses.

"Project Fees" means an annual partnership management fee in the amount of $21,649, increasing by 2.0% annually, payable to the Tenant's Managing General Partner, and an annual investor services fee in the amount of $8,500, payable to Tenant's Investor Limited Partner (plus any increase shown in the Annual Operating Budget and approved by MOHCD and OCII), all as consistent with the City's Asset Management Fee & Partnership Management Fee Policy. In no event shall such fees exceed the maximum amount permitted by HCD as long as it is a Lender.

"Project Financing" has the meaning set forth in **Section 4.2(i)**.

"Project Income" means all income and receipts in any form received by Borrower from the operation of the Project, including rents, fees, deposits (other than tenant security deposits), any accrued interest disbursed from any reserve account required under this Agreement for a purpose other than that for which the reserve account was established, reimbursements and other charges paid to Borrower in connection with the Project. Interest accruing on any portion of the Funding Amount is not Project Income.

"Project Operating Account" has the meaning set forth in **Section 11.1**.

"Publication" means any report, article, educational material, handbook, brochure, pamphlet, press release, public service announcement, webpage, audio or visual material or other communication for public dissemination, which relates to all or any portion of the Project or is paid for in whole or in part using the Funding Amount.

"Qualified Tenant" means a Tenant household, earning no more than the maximum permissible annual income level allowed under this Agreement as set forth in **Exhibit A**. The term "Qualified Tenant" includes each category of Tenant designated in **Exhibit A**.

"Rent" means the aggregate annual sum charged to Tenants for rent and utilities in compliance with **Article 7.**

"Rent Restrictions" means the limitations on Rents set forth in **Section 7.3** and **Exhibit A**.

"Replacement Cost" means all hard constructions costs of the Project, not including the cost of site work and foundations but including construction contingency, for the purpose of establishing the amount of the Replacement Reserve Account. This defined term is not intended to affect any other calculation of replacement cost for any other purpose.

"Replacement Reserve Account" has the meaning set forth in **Section 12.1**.

"Retention" has the meaning set forth in **Section 4.7**.

"Schedule of Performance**"** means the schedule attached hereto as **Exhibit L** that sets forth Project tasks and milestones and the dates by which they will be completed.

"Section 8" means rental assistance provided under Section 8(c)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. § 1437f) or any successor or similar rent subsidy programs.

"Senior Lien" has the meaning set forth in **Section 24.1**.

"Site" means the real property described in **Recital E** of this Agreement.

"Sponsors" means Chinatown Community Development Center and Swords to Plowshares whom are collectively co-developing the Project.

"Surplus Cash" means Project Income remaining after payment of Project Expenses and Project Fees. The amount of Surplus Cash must be based on figures contained in audited financial statements.

"Table" means the Table of Sources and Uses.

"Table of Sources and Uses" means a table of sources and uses of funds attached hereto as **Exhibit B-1**, including a line item budget for the use of the Funding Amount, which table may not be adjusted without OCII's prior written approval.

"TCAC" means the California Tax Credit Allocation Committee.

"Tenant" means any residential household in the Project.

"Tenant Selection Plan" has the meaning set forth in **Section 6.1**.

"Title Policy" means an ALTA extended coverage lender's policy of title insurance in form and substance satisfactory to OCII, issued by an insurer selected by Borrower and satisfactory to OCII, together with any endorsements and policies of coinsurance and/or reinsurance required by OCII, in a policy amount equal to the Funding Amount, insuring the Deed of Trust and indicating the Declaration of Restrictions as valid liens on the Site, each subject only to the Permitted Exceptions.

"20-Year Cash Flow Proforma" means the 20-year cash flow proforma for the Project attached as **Exhibit B-3**.

"Unit" means a residential rental unit within the Project.

"Waiting List" has the meaning set forth in **Section 6.5**.

"Work Product" has the meaning set forth in **Section 24.21**.

1.2 Interpretation. The following rules of construction will apply to this Agreement and the other OCII Documents.

(a) The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any language in this Agreement. References to days, months and years mean calendar days, months and years unless otherwise specified. References to a party mean the named party and its successors and assigns.

(b) Headings are for convenience only and do not define or limit any terms. References to a specific OCII Document or other document or exhibit mean the document, together with all exhibits and schedules, as supplemented, modified, amended or extended from time to time in accordance with this Agreement. References to Articles, Sections and Exhibits refer to this Agreement unless otherwise stated.

(c) Accounting terms and financial covenants will be determined, and financial information must be prepared, in compliance with GAAP as in effect on the date of performance. References to any Law, specifically or generally, will mean the Law as amended, supplemented or superseded from time to time.

(d) The terms and conditions of this Agreement and the other OCII Documents are the result of arms'-length negotiations between and among sophisticated parties who were represented by counsel, and the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not apply to the construction and interpretation of the OCII Documents. The language of this Agreement must be construed as a whole according to its fair meaning.

1.3 Websites for Statutory References. The statutory and regulatory materials listed below may be accessed through the following identified websites.

(a) CFR provisions: www.access.gpo/nara/cfr

(b) OMB circulars: www.whitehouse.gov/OMB/circulars

(c) S.F. Administrative Code: www.sfgov.org/site/government_index.asp#codes

ARTICLE 2 FUNDING.

2.1 Funding Amount. OCII agrees to lend to Borrower a maximum principal amount equal to the Funding Amount in order to finance predevelopment and development costs associated with the Project. The Funding Amount will be disbursed according to the terms and subject to the conditions set forth in this Agreement.

2.2 Use of Funds. Borrower acknowledges that the OCII's agreement to make the Loan is based in part on Borrower's agreement to use the Funding Amount solely for the purpose set forth in **Section 2.1** and agrees to use the Funding Amount solely for that purpose in accordance with the approved Table of Sources and Uses.

2.3 Accounts; Interest. Each Account to be maintained by Borrower under this Agreement must be held in a bank or savings and loan institution acceptable to OCII as a segregated account that is insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program. With the exception of tenant security deposit trust accounts, any interest earned on funds in any Account must be used for the benefit of the Project.

2.4 Records. Borrower must maintain and provide to the OCII upon request records that accurately and fully show the date, amount, purpose and payee of all expenditures from each Account authorized under this Agreement or by the OCII in writing and keep all estimates, invoices, receipts and other documents related to expenditures from each Account. In addition, Borrower must provide to the OCII promptly following Borrower's receipt, complete copies of all monthly bank statements, together with a reconciliation, for each Account until all funds (including accrued interest) in each Account have been disbursed for eligible uses.

2.5 Conditions to Additional Financing. The OCII may grant or deny any application by Borrower for additional financing for the Project in its sole discretion.

ARTICLE 3 TERMS. The term of this Agreement shall commence on the Agreement Date and shall continue until the fifty seventh (57^{th}) anniversary of the date the Deed of Trust is recorded on Borrower's leasehold interest in the Site the Official Records of the County of San Francisco (the "Official Records"), regardless of any reconveyance of the Deed of Trust (the "Compliance Term"). In order to ensure the Borrower's, or subsequent assignees', continued compliance with such obligations during the Compliance Term, the Deed of Trust shall be recorded in the Official Records upon execution of the Ground Lease.

3.1 Interest. The outstanding principal balance of the Loan will bear simple interest at a rate of 3%, three percent (3%) per annum. However, the interest rate may be reduced to a floor of 0% on or prior to the Loan Closing Date upon Borrower's demonstration that a reduction is necessary to meet certain requirements of tax credit financing, such as "true debt", subject to justification from the Borrower, and review and approval by the OCII Executive Director and the MOHCD Director in their sole discretion as part of the Final Financial Plan, if any.

3.2 Loan Repayment Terms. Interest shall accrue, and repayment of principal and interest shall be paid from Surplus Cash in accordance with **Section 3.5**, below. Notwithstanding the foregoing, the outstanding principal balance and any accrued but unpaid interest of the Loan will be due and payable on the fifty seventh (57th) anniversary of the date Deed of Trust is recorded on the leasehold interest in the Official Records, but in all events not later than December 31, 2074 (the "Maturity Date") according to the terms set forth in full in the Note. At least sixty (60) days prior to the Maturity Date, the Borrower may apply to the City for an extension of the Maturity Date. In the event that, as of the date of such request the Borrower continues to be in compliance with the Loan Documents, the City may, in its discretion, agree to extend the Maturity Date pursuant to a written amendment to the Agreement and permit the Borrower to continue to defer repayment of principal and interest, or may require that the Borrower make amortized payments of principal and interest.

3.3 Compliance Term; Declaration of Restrictions: Borrowers, and its assigns, must comply with all provisions of the OCII Documents relating to the use of the Site and the Project, as set forth in the Declaration of Restrictions, and any amended and restated versions of such declaration, to be recorded in the official records of the San Francisco County, for the Compliance Term even if the Loan is repaid or otherwise satisfied, or the Deed of Trust is reconveyed before that date. Notwithstanding anything to the contrary contained herein, Borrower's obligation to comply with the terms and obligations contained in the OCII Documents shall be subject to Borrower's compliance with all applicable laws, statutes and regulations, including, but not limited to Section 42 of the Internal Revenue Code, the California Revenue and Taxation Code, CDLAC's regulations, and TCAC's regulations and federal law and regulations relating to HUD.

3.4 Default Interest Rate. Upon the occurrence of an Event of Default under any OCII Document, the principal balance of the Loan will bear interest at the default interest compounded annual rate equal to the lesser of: (a) ten percent (10%); or (b) the maximum lawful rate of interest, with such default interest rate commencing as of the date an Event of Default occurs and continuing until such Event of Default is fully cured. In addition, the default interest rate will apply to any amounts to be reimbursed to the OCII under any OCII Document if not paid when due or as otherwise provided in any OCII Document.

3.5 Distribution of Surplus Cash and Repayment of Principal. Within one hundred twenty (120) days of the end of each fiscal year following the Completion Date, Borrower shall apply annual Project Income to pay Project Expenses and then to pay Project Fees. Any cash remaining after payment of Project Expenses and Project Fees shall be deemed Surplus Cash. Provided Borrower is not currently in default (subject to applicable notice and cure periods)

under the terms of OCII Documents, Borrower shall use Surplus Cash to make the following payments:

The Borrower and OCII shall evenly divide and distribute the Surplus Cash amongst themselves until the earlier to occur of: (i) 15 years of operations from the date the Project achieves One Hundred Percent Occupancy or (ii) full payment of the Deferred Developer Fees. Thereafter, one-third (1/3) of Surplus Cash shall be distributed to the Borrower and the remaining two thirds (2/3) shall be distributed to OCII (**"OCII's Portion"**). OCII's Portion will be applied first to Accrued Base Rent, and then toward repayment of the outstanding OCII Loan until the entire principal and accrued but unpaid interest on the OCII Loan and repayment of outstanding principal and accrued and unpaid interest on any other debt payable from Surplus Cash until all amounts due and owing on such loans is repaid in full, and then payment of OCII's Portion shall go toward Residual Rent until paid in full in accordance with the terms of the Ground Lease. This share of Surplus Cash shall be split on a pro-rata basis between OCII and the Department of Housing and Community Development ("HCD") for so long as HCD is a lender in the Project. Deferred Developer Fees shall not be payable from OCII's Surplus Cash at any time.

3.6 Repayment of Unused Portion of Principal. In addition to any other payment requirements, within six (6) months after the Completion Date, the Borrower shall promptly repay to OCII any portion of the Loan previously disbursed to Borrower and not used for eligible costs as described in this Agreement. No interest shall accrue on the Loan amount repaid pursuant to this **Section 3.6**.

3.7 Repayment of California Tax Credit Allocation Committee Performance Deposit. To the extent OCII funded the TCAC Performance Deposit, Borrower must repay the TCAC Performance Deposit to OCII upon receipt of said deposit by Borrower from TCAC, or use it to pay for eligible costs related to the Project. Use of the TCAC Performance Deposit to pay for eligible costs must be approved by the OCII Executive Director. Borrower shall include the requirements related to the TCAC Performance Deposit in any tax credit limited partnership agreement.

3.8 Changes In Funding Streams. OCII's agreement to make the Loan on the terms set forth in this Agreement and the Note is based in part on Borrower's projected sources and uses for construction of the Project (including predevelopment activities and construction phase expenses), as set forth in the Table of Sources and Uses. Borrower covenants to give written notice to the OCII within thirty (30) days of any significant changes in budgeted funding or income set forth in documents previously provided to the OCII. OCII reserves the right to modify the terms of this Agreement based upon any substantial reductions in Borrower's projected sources or substantial increase in Borrower's uses of all funds for the Project to the extent Borrower has not provided additional Project sources sufficient to cover any reductions in sources or increase in uses, which sources shall be acceptable to the OCII in its reasonable discretion.

3.9 Additional OCII Approvals. Borrower understands and agrees that OCII is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Borrower understands and agrees that neither entry by OCII into this Agreement nor any approvals given by OCII under this Agreement shall be deemed to imply that Borrower will obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Property. By entering into this Agreement, OCII is in no way modifying or limiting the obligations of Borrower to develop the Property in accordance with all local laws. Borrower understands that any development of the Property shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Property, which may include, without limitation, the Planning Commission and the San Francisco Board of Supervisors. Notwithstanding anything to the contrary in this Agreement, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the Project, including but not limited to a party hereto, from exercising any discretion available to such department, board or commission with respect thereto, including but not limited to the discretion to (i) make such modifications deemed necessary to mitigate significant environmental impacts, (ii) select other feasible alternatives to avoid such impacts, including the "No Project" alternative; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided, or (iv) determine not to proceed with the proposed Project.

3.10 Repayment of Excess Development Proceeds. OCII has agreed to advance the amount set forth above to fund Development Expenses with the understanding that Borrower will repay the Excess Development Proceeds unless otherwise approved by MOHCD Director and OCII Executive Director as part of the Final Financial Plan approval prior to the Loan Closing Date.

3.11 Additional Borrower Covenants. Borrower hereby agrees to the following:

(a) Assuming the Project does not experience significant hard-cost increases as a result of pricing estimates at Construction Drawing completion, Construction Document bid by the General Contractor, final plan check of all addenda, or any significant schedule delay preventing the Project from beginning construction in 2017, all remaining contingencies including the 5% Design Contingency, 5% Bid Contingency, 5% Plan Check Contingency, and the 3.5% Escalation Contingency will be eliminated from the Project budget. OCII's subsidy to the Project will be reduced by the total value of the eliminated subsidies (unless OCII approves allocation of some or all of eliminated subsidies for other costs in the Project budget).

(b) Sponsors shall cooperate with OCII and MOHCD staff to establish a mutually agreed upon year-one operating budget, including the amount of services costs to be funded from operations, if any.

(c) Sponsors will make a good faith effort to ensure that the gap commitment request cash-flow proforma debt service coverage ratio aligns with MOHCD underwriting guidelines, and shall consider increasing the permanent tax-exempt loan amount to reduce OCII's gap commitment amount, if possible. Additionally, if HSH subsidizes supportive services

expenses that otherwise would be funded by the Sponsors through their operations, Sponsors shall pursue a larger permanent tax-exempt loan to reduce OCII's gap loan to the Project.

(d) Addition of Supportive Services staff to be funded from Project operations shall be subject to prior OCII approval.

ARTICLE 4 CLOSING; DISBURSEMENTS.

4.1 Generally. Subject to the terms of this Agreement, OCII will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Borrower in accordance with this Agreement and the approved line item budget contained in the Table of Sources and Uses. The disbursement schedule may be changed at the request of the Borrower, subject to the written approval of the OCII Executive Director and the MOHCD Director prior to the Loan Closing if needed to ensure the repayment of the Loan complies with applicable financing requirements.

4.2 Closing. In the event Borrower does not satisfy all of the conditions to Loan Closing contained in Section 4.3(b) within twenty-four (24) months of the date of this Agreement, OCII may declare this Agreement to be null and void.

4.3 Conditions Precedent to Closing.

(a) OCII will authorize the Loan Closing upon satisfaction of the following conditions:

(i) The Funding Amount is available for disbursement on or after the Loan Closing Date.

(ii) Borrower must have delivered to OCII fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the OCII: (i) the Note; (ii) this Agreement (in triplicate); (iii) an opinion of Borrower's counsel in form and substance reasonably acceptable to OCII; (iv) the Authorizing Resolutions; and (v) any other OCII Documents reasonably requested by OCII.

(iii) Borrower must have delivered to OCII Borrower's Charter Documents.

(iv) Borrower must have delivered to OCII insurance endorsements and, if requested by OCII, copies of policies for all insurance required under Exhibit F of this Agreement.

(v) Borrower will have reviewed the terms of the loan with its tax counsel to determine the applicable interest rate necessary to satisfy the true debt test.

(b) Borrower's obligations to authorize Loan Closing shall be subject to the following preconditions (which Borrower may waive in whole or part in Borrower's sole discretion):

(i) Borrower shall have obtained the following Project financing, all

on terms and in amounts acceptable to Borrower in its sole discretion: (1) Borrower shall receive a loan or loans for Project development costs, made from the proceeds of the sale of tax-exempt bonds allocated to Borrower by the California Debt Limit Allocation Committee; (2) Borrower shall receive an allocation of four percent (4%) federal low income housing tax credits by TCAC pursuant to Section 42 of the Internal Revenue Code of 1986, as amended; (3) Borrower shall obtain an equity investment in Borrower from a tax credit investor; (4) Borrower shall obtain a permanent mortgage; and (5) Borrower shall obtain additional Project financing from any other required lenders (collectively, the "Project Financing");

(ii) the lenders and investors associated with the Project Funding are prepared to close and fund their financing in accordance with their respective financing commitments;

(iii) Borrower shall have approved the condition of the Site and executed the Ground Lease;

4.4 Conditions Precedent to Disbursement on and after the Loan Closing Date. OCII's obligation to approve any expenditure of the Funding Amount on or after the Loan Closing Date is subject to Borrower's satisfaction of the conditions in **Section 3.11** as well as the following conditions precedent:

(a) Borrower must have delivered to OCII an Expenditure Request in form and substance satisfactory to OCII, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. Any request from Borrower to reallocate the Funding Amount between the line items or to change the budget limits for a line item from what is shown in the Table of Sources and Uses must be approved as follows: (i) except for funds moved from the contingency line item to another line item, a requested reallocation of the Funding Amount in an amount up to ten percent (10%) of the Funding Amount in the aggregate may be made with the express written approval of OCII's Housing Manager; and (ii) except for funds moved from the contingency line item to another line item, a requested reallocation of the Funding Amount in an amount that exceed ten percent (10%) of the Funding Amount may be made only with the express written approval of the OCII Executive Director. Reallocations of the Funding Amount from contingency line items to other line items shall not require the consent of OCII.

(b) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, may have occurred that remains uncured as of the date of the Expenditure Request.

(c) With respect to any Expenditure Request that covers rehabilitation or construction costs, Borrower must have certified to OCII that the Project complies with the labor standards set forth in **Exhibit E, Section 1**, if applicable.

(d) OCII shall either approve or disapprove each such Expenditure Request within 10 business days of receipt. In the event OCII disapproves an Expenditure Request OCII shall provide written notice thereof to Borrower specifying the reason for such disapproval.

4.5 Schedule of Performance. Borrower must perform in accordance with the Schedule of Performance (**Exhibit L**). The Schedule of Performance may be modified at the request of the Borrower; however, any modification to the Schedule of Performance shall be at the discretion of the OCII Executive Director.

4.6 Retention. In addition to the other conditions to Disbursements, Borrower acknowledges that the amount of hard costs or tenant improvements costs included in any Expenditure Request associated with rehabilitation or construction, when added to previously approved costs, may not exceed ninety percent (90%) of the approved budgeted costs on a line item basis. The remaining ten percent (10%) of hard costs or tenant improvement costs associated with rehabilitation or construction (the "Retention") shall be retained by OCII or other Project lender that has been approved in writing by the OCII Executive Director to hold the Retention for the Project. Regardless of what entity holds the Retention, OCII must approve in writing any request to release any portion of the Retention. Borrower may request disbursement of the aggregate amount of the Retention only upon satisfaction of each of the following conditions, unless otherwise approved in writing by OCII: (a) completion of rehabilitation or construction of the Project in accordance with the plans and specifications approved by OCII, as evidenced by a certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion; (b) timely recordation of a notice of completion; and (c) either expiration of the lien period and the absence of any unreleased mechanics' liens or stop notices or recordation of the lien releases of all contractors, subcontractors and suppliers who provided labor or materials for the Project.

After fifty percent (50%) of the construction of the Project is complete as determined by the OCII-assigned construction management staff, and upon Borrower's written request, OCII may elect to reduce the amount of Retention withheld to a level of no less than five percent (5%) of the hard costs or tenant improvements, provided that the following prerequisites have been met: (a) all work required to be performed by all parties for whom OCII agrees to release the Retention (the "Early Retention Release Contractors") has been completed in conformance with the terms of the applicable contract documents, the plans and specifications approved by the City and all applicable Laws; (b) the applicable Early Retention Release Contractors have filed unconditional lien waivers satisfactory to the OCII construction specialist; (c) no liens or stop notices have been filed against the Project that have not been released or bonded for according to construction mechanic's lien laws of the State of California or an appropriate title endorsement has been issued in a form reasonably satisfactory to OCII; (d) no claims against the Project are pending; (e) OCII determines that the contingency is in balance and adequate to complete the Project; and (f) the Project is on schedule.

4.7 Limitations on Approved Expenditures. OCII may refuse to approve any expenditure: (a) during any period in which an event that, with notice or the passage of time or

both, would constitute an Event of Default remains uncured; or (b) for disapproved, unauthorized or improperly documented expenses. OCII is not obligated to approve expenditure of the full Funding Amount unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all funds disbursed to Borrower under this Agreement exceed the Funding Amount.

ARTICLE 5 DEMOLITION, REHABILITATION OR CONSTRUCTION.

5.1 Contracting Requirements. In the selection of all contractors and professional consultants for the Project, Borrower must comply with OCII's contract compliance requirements, as further set forth in **Exhibit E** of this Agreement.

5.2 Plans and Specifications. Before starting any demolition, rehabilitation or construction on the Site, Borrower must have delivered to OCII, and OCII must have reviewed and approved plans and specifications and the construction contract for the Project entered into between Borrower and Borrower's general contractor and approved by OCII (the "Construction Contract"). The plans approved by OCII must also be approved by the City and County of San Francisco's Department of Building Inspection (the "Department of Building Inspection") (collectively, the "Approved Plans") prior to the start of any demolition, rehabilitation or construction on the Site. The Approved Plans must be explicitly identified in the Construction Contract. The specifications approved by OCII, including the funder requirements and the technical specifications (the "Approved Specifications") must also be explicitly identified in the Construction Contract. The Construction Contract may include funder requirements not otherwise addressed in the Approved Specifications. After completion of the Project, Borrower must retain the Approved Plans as well as "as-built" plans for the Project, the Approved Specifications and the Construction Contract, all of which Borrower must make available to OCII upon request.

5.3 Change Orders. During the construction period, Borrower may not approve or permit any change orders to the plans and specifications approved by OCII without the OCII's prior written consent. Borrower acknowledges that OCII's approval of any change order will not constitute an agreement to amend the Table of Sources and Uses or to provide additional funds for the Project, unless OCII agrees in its sole discretion to amend the Table of Sources and Uses or provide additional funds for that purpose. OCII shall endeavor to provide written approval or disapproval of each change order and any equivalent amendment to the Table of Sources and Uses within ten (10) calendar days of receipt for request therefor.

5.4 Insurance, Bonds and Security. Before starting any demolition, rehabilitation or construction on the Site, Borrower must deliver to OCII insurance endorsements and bonds as described in **Exhibit F**. At all times, Borrower must take prudent measures to ensure the security of the Site.

5.5 Notice to Proceed. No demolition, rehabilitation or construction may commence until Borrower has issued a written notice to proceed with OCII's approval.

5.6 Commencement and Completion of Project. Unless otherwise extended in writing by OCII, Borrower must: (a) commence construction by December XX, 2017; (b) complete demolition, rehabilitation or construction by January 15, 2022 (the **"Completion Date"**), in substantial accordance with the plans and specifications approved by OCII, as evidenced by a temporary certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion; and (c) achieve occupancy of Ninety Five percent (95%) of the Units by April 1, 2022.

5.7 Construction Standards. All construction must be performed in a first class manner, substantially in accordance with final plans and specifications approved by OCII and in accordance with all applicable codes.

ARTICLE 6 MARKETING.

6.1 Marketing Plan& Tenant Selection Plan. No later than thirty (30) days after the start of construction, Borrower must deliver to OCII for OCII's review and approval an outreach plan for initial marketing of the Units (the **"Early Outreach Plan"**) in compliance with the restrictions set forth in **Exhibit A** and in form and substance acceptable to OCII, as further described in **Exhibit T-1**. Early outreach pursuant to the Early Outreach Plan must start within 3 months of construction start. The Developer may not start the outreach process until OCII provides its approval, which will occur no later than 10 business days after OCII receives the final draft Early Outreach Plan.

Borrower must submit a draft Marketing Plan and Tenant Selection Plan (the **"Marketing and Tenant Selection Plans"**) consistent with the requirements described in **Exhibits I, S, T-2,** and no later than 12 months prior to the projected Completion Date. Borrower must obtain OCII's approval of reasonable alterations to the Marketing Plan or the Tenant Selection Plan. Borrower must market and rent the Units in the manner set forth in the Marketing Plan and the Tenant Selection Plan both as approved by OCII. Before marketing any Units, Borrower must provide OCII with updated implementation and contact information. The marketing process and timeline is further described in **Exhibit T-3**.

6.2 Affirmative Marketing Plan Requirements. Borrower's Marketing Plan must address how Borrower intends to market vacant Units and any opportunity for placement on the Waiting List, as defined in **Section 6.5**. The Marketing Plan shall include as many of the following elements as are appropriate to the Project, as determined by OCII and consistent with OCII and MOHCD policies and procedures related to applicants throughout the marketing process:

(a) Per the Mission Bay Affordable Housing Policy, adopted September 17, 1998 by Resolution 194-98, the Sponsor will be required to give occupancy preference to Agency Certificate of Preference Holders. In accordance with OCII funding requirements and HCD's Veterans Housing and Homelessness Prevention **("VHHP"**) program funding requirements, preference shall be given to the following order for all eligible applicants: 1) holders of former Redevelopment Agency Certificates of Preference ("COP"), 2) Ellis Act Housing Preference

("EAHP") (shall apply to twenty percent (20%) of the units), and 3) San Francisco residents or San Francisco workers.

In 2016, the City and County of San Francisco adopted the Displaced Tenant Housing Preference ("DTHP") program which both expanded and supplanted the EAHP. Should the OCII Commission consider and adopt the DTHP, or version thereof, that program will supplant the EAHP and all references to the EAHP in project-related documents will be superseded to denote DTHP as the applicable preference.

The City also recently adopted the Neighborhood Resident Housing Preference ("**NRHP**"). However, HCD has determined that NRHP is not allowed in projects receiving HCD funding. Even if the OCII Commission authorizes NRHP to be applied to OCII projects, it will not be applied at the Project.

(b) A reasonable accommodations policy that indicates how Borrower intends to market Units to disabled individuals, including an indication of the types of accessible Units in the Project, the procedure for applying, and a policy giving disabled individuals a priority in the occupancy of accessible Units. Specifically, for COP holders, the Borrower shall work with a HUD-approved housing counseling agency to provide assistance throughout the application process, as it may be needed, with the goal of maximizing COP participation to the extent possible. The Borrower shall ensure that COP holders are aware that such assistance is available.

(c) Advertising in local neighborhood newspapers, community-oriented radio stations, on the internet and in other media that are likely to reach low-income households. All advertising must display the Equal Housing Opportunity logo.

(d) Notices to neighborhood-based, nonprofit housing corporations and other low-income housing advocacy organizations that maintain waiting lists or make referrals for below-market-rate housing.

(e) Notices to SFHA.

(f) Notices to MOHCD.

(g) To the extent practicable, without holding Units off the market, the community outreach efforts listed above must take place before advertising vacant Units or open spots on the Waiting List to the general public.

(h) An acknowledgement that, with respect to vacant Units, the marketing elements listed above shall only be implemented if there are no qualified applicants interested or available from the Waiting List.

Notwithstanding anything to the contrary contained herein, any provision of the tenant selection criteria contained in **Section 6.2** that is (i) deemed by a court to be a violation of Fair Housing Laws, or (ii) deemed by the Internal Revenue Service or the California Tax Credit Allocation Committee to be a violation of the IRS Tax Credit Rules shall immediately be deemed inapplicable.

6.3 Tenant Selection Plan Requirements: Borrower's Tenant Selection Plan shall comply with the requirements of the Tenant Selection Plan Policy as set forth in the attached **Exhibit I**. The Tenant Selection Plan must be kept on file at the Project at all times. Minimum income requirements shall not be more restrictive than requiring a minimum income that is two times the rent, and must include tenant based rent subsidies as income. Additionally, ability to pay rent based on rental history of paying a similar or higher rent or other demonstrable methods of rent payment such as participation in money management shall be considered mitigating circumstances related to minimum income and must be evaluated prior to denial of housing.

6.4 Marketing Records. Borrower must keep records of: (a) activities implementing the affirmative marketing plan; (b) advertisements; and (c) other community outreach efforts.

6.5 Waiting List. Borrower's Tenant Selection Plan must contain, at a minimum, policies and criteria that provide for the selection of tenants from a written waiting list in the chronological order of their application (the "Waiting List"). The Tenant Selection Plan may allow an applicant to refuse an available Unit for good cause without losing standing on the Waiting List but shall limit the number of refusals without cause as approved by OCII. Borrower shall at all times maintain the Waiting List. Upon the vacancy of any Unit, Borrower shall first attempt to select the new Tenant for such Unit from the Waiting List, and shall only market the Unit to the general public after determining that no applicants from the Waiting List qualify for such Unit. The Waiting List must be kept on file at the Project at all times.

ARTICLE 7 AFFORDABILITY AND OTHER LEASING RESTRICTIONS.

7.1 Term of Leasing Restrictions. Borrower acknowledges and agrees that the covenants and other leasing restrictions set forth in this Article will remain in full force and effect: (a) for the Compliance Term and survive the prior repayment or other satisfaction of the Loan, termination of this Agreement or reconveyance of the Deed of Trust; (b) for any Unit that has been subject to a regulatory agreement with TCAC, for a period ending three (3) years after the date of any transfer of the Project by foreclosure or deed-in-lieu of foreclosure; and (c) with respect to any Unit occupied by a Qualified Tenant at expiration of either the Compliance Term or the 3-year period referred to in **Subsection (b)** above, until the Qualified Tenant voluntarily vacates his/her Unit or is evicted lawfully for just cause. If applicable, the requirements to comply with the provisions of Internal Revenue Code Section 42, including Section 42(h)(6)(E)(ii), are hereby acknowledged.

7.2 Borrower's Covenant.

(a) Borrower covenants to rent all Units (except one Unit reserved for the manager of the Project) at all times to households certified as Qualified Tenants at initial occupancy, as set forth in **Exhibit A**.

(b) A Tenant who is a Qualified Tenant at initial occupancy may not be required to vacate the Unit due to subsequent rises in household income, except as provided in **Section 7.3**. After the over-income Tenant vacates the Unit, the vacant Unit must be rented only to Qualified Tenants as provided in **Section 7.1**.

7.3 Rent Restrictions.

(a) Rent charged to each Qualified Tenant may not exceed the amounts set forth in **Exhibit A**.

(b) Unless prohibited under any applicable Law or the rules and regulations governing any Project funding source, each residential lease must provide for termination of the lease upon 120 days' prior written notice in the event that Borrower's annual income certification indicates that the Tenant's household income exceeds 120 percent of Median Income.

(c) Rents for all Units may be increased once annually in accordance with any increase in the rents according to MOHCD's "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," published on an annual basis.

(d) With the OCII's prior written approval and in accordance with maximum rent limitations set forth in **Section 7.3(a)** and all applicable restrictions, Rent increases for Units exceeding the amounts permitted under **Section 7.3(b)** may be permitted once annually in order to recover increases in approved Project Expenses, provided that: (i) in no event may single or aggregate increases exceed ten percent (10%) per year, unless such an increase is contemplated in a OCII-approved temporary relocation plan or is necessary due to the expiration of Section 8 or other rental subsidies; and (ii) Rents for each Unit may in no event exceed the maximum Rent permitted under **Section 7.3(a)**. City approval for such Rent shall not be unreasonably withheld.

(e) Unless prohibited under any applicable Laws or the rules and regulations governing any Project funding source, if the household income of a Qualified Tenant exceeds the maximum permissible income during occupancy of a Unit, then, upon no less than thirty (30) days' prior written notice to the Tenant or as otherwise required under the Tenant's lease or occupancy agreement, Borrower may adjust the charges for Rent for the previously Qualified Tenant to be equal to thirty percent (30%) of the Tenant's adjusted household income. Rents charged under this provision may exceed the Maximum Rent permitted under **Section 7.3(a)**.

7.4 Certification.

(a) As a condition to initial occupancy, each person who desires to be a Qualified Tenant in the Project must be required to sign and deliver to Borrower a certification in the form shown in **Exhibit C** in which the prospective Qualified Tenant certifies that he/she or his/her household qualifies as a Qualified Tenant. In addition, each person must be required to provide any other information, documents or certifications deemed necessary by OCII to substantiate the prospective Tenant's income. Certifications provided to and accepted by the SFHA will satisfy this requirement.

(b) Each Qualified Tenant in the Project must recertify to Borrower on an annual basis his/her household income.

(c) Income certifications with respect to each Qualified Tenant who resides in a Unit or resided therein during the immediately preceding calendar year must be maintained on file at Borrower's principal office, and Borrower must file or cause to be filed copies thereof with the OCII promptly upon request by the OCII.

7.5 Form of Lease. The form of lease for Tenants must provide for termination of the lease and consent to immediate eviction for failure to qualify as a Qualified Tenant if the Tenant has made any material misrepresentation in the initial income certification. The term of the lease must be for a period of not less than one (1) year. Borrower may not terminate the tenancy or refuse to renew any lease of a Unit except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Laws or other good cause. Any termination or refusal to renew the lease for a Unit must be preceded by not less than thirty (30) days' written notice to the Tenant specifying the grounds for the action. Unless prohibited by any applicable law, or the rules and regulations governing any Project funding source, the form of lease for any Unit that has received an allocation of tax credits must provide that the Tenant agrees that the lease may be terminated upon 120 days' notice if the Tenant's certified household income exceeds 120 percent of Median Income.

7.6 Nondiscrimination. Borrower agrees not to discriminate against or permit discrimination against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, gender identity, height, weight, source of income or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) in the operation and use of the Project except to the extent permitted by law or required by any other funding source for the Project. Borrower agrees not to discriminate against or permit discrimination against Tenants using Section 8 certificates or vouchers or assistance through other rental subsidy programs.

7.7 Security Deposits. Security deposits may be required of Tenants only in accordance with applicable state law and this Agreement. Any security deposits collected must be segregated from all other funds of the Project in an Account held in trust for the benefit of the Tenants and disbursed in accordance with California law. The balance in the trust Account must at all times equal or exceed the aggregate of all security deposits collected plus accrued interest thereon, less any security deposits returned to Tenants.

ARTICLE 8 MAINTENANCE AND MANAGEMENT OF THE PROJECT.

8.1 Borrower's Responsibilities.

(a) Subject to the rights set forth in **Section 8.2**, Borrower will be specifically and solely responsible for causing all maintenance, repair and management functions performed in connection with the Project, including selection of tenants, recertification of income and household size, evictions, collection of rents, routine and extraordinary repairs and replacement of capital items. Borrower must maintain or cause to be maintained the Project, including the

Units and common areas, in a safe and sanitary manner in accordance with local health, building and housing codes, California Health and Safety Code 17920.10 and the applicable provisions of 24 CFR Part 35.

8.2 Contracting With Management Agent.

(a) Borrower may contract or permit contracting with a management agent for the performance of the services or duties required in **Section 8.1(a)**, subject to OCII's prior written approval of both the management agent and, at OCII discretion, the management contract between Borrower and the management agent, *provided, however,* that the arrangement will not relieve Borrower of responsibility for performance of those duties. Any management contract must contain a provision allowing Borrower to terminate the contract without penalty upon no more than thirty (30) days' notice. OCII hereby approves Chinatown Community Development Center, as the management agent for the Project. To the extent the management agent wishes to engage the services of a subcontractor for all or a part of its management obligations, the provisions of this Subsection 8.2(a) shall be applicable to the said subcontractor, including specifically, OCII's prior written approval of both the management agent's subcontractor and, at OCII discretion, the contract between the management agent and subcontractor, *provided, however*, that the arrangement will not relieve Borrower of responsibility for performance of its duties. Any subcontract must contain a provision allowing Borrower to terminate the subcontract, with obligations automatically reverting to the management agent, without penalty upon no more than thirty (30) days' notice. OCII hereby approves Swords to Plowshares as management agent's subcontractor for the performance of the services or duties required in **Section 8.1(a).**

(b) OCII will provide written notice to Borrower of any determination that the contractor performing the functions required in **Section 8.1(a)** has failed to operate and manage the Project in accordance with this Agreement. If the contractor has not cured the failure within a reasonable time period, as determined by OCII, Borrower must exercise its right of termination immediately and make immediate arrangements for continuous and continuing performance of the functions required in **Section 8.1(a)**, subject to OCII approval.

8.3 Borrower Management. Borrower may manage the Project itself only with the OCII's prior written approval. OCII will provide written notice to Borrower of any determination that Borrower has failed to operate and manage the Project in accordance with this Agreement, in which case, OCII may require Borrower to contract or cause contracting with a management agent to operate the Project, or to make other arrangements OCII deems necessary to ensure performance of the functions required in **Section 8.1(a)**.

8.4 Supportive Services. Borrower is responsible for insuring that residents or clients residing in the LOSP (or other supportive) Units have access to appropriate case management, psychosocial supportive services, and other support services, as well as to health care, where required. For any person who requires more intensive care than can be provided at the Project, Borrower shall use its best efforts to locate or cause to be located, a care provider who can appropriately care for the individual and shall refer the individual to the care provider.

ARTICLE 9 GOVERNMENTAL REQUIREMENTS.

9.1 Borrower Compliance. Borrower must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of the Funding Amount for the construction, rehabilitation and/or operation of the Project, including the requirements of the CRL, OPA, and those Laws set forth in **Exhibit E**. Borrower acknowledges that its failure to comply with any of these requirements will constitute an Event of Default under this Agreement. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 10 PROJECT MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

(a) Borrower understands and agrees that it will be monitored by OCII from time to time to assure compliance with all terms and conditions in this Agreement and all Laws. Borrower acknowledges that, if and after Borrower acquires Control of the Site, OCII may also conduct periodic on-site inspections of the Project provided access to the interior of any residential unit is preceded by no less than 48 hours' prior notice. Borrower must cooperate with the monitoring by OCII and ensure full access to the Project and all information related to the Project as reasonably required by OCII.

(b) Borrower must keep and maintain books, records and other documents relating to the receipt and use of the Funding Amount. Borrower must maintain records of all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility and condition of the Project. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

(c) Borrower must provide written notice of the replacement of: the member or manager of its general partner or the executive director, director of housing development,

director of property management and/or any equivalent position within the sole member of the managing general partner, within thirty (30) days after the effective date of such replacement.

10.2 Monthly Reporting. Commencing upon the Loan Closing Date, Borrower must submit monthly reports (the "OCII Monthly Project Update") describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, procuring architects, consultants and contractors, changes in scope, cost or schedule and significant milestones achieved in the past month and expected to be achieved in the coming month. The OCII Monthly Project Update must be submitted by email in substantially the form attached hereto as **Exhibit M** through submission of Forms 8609.

10.3 Annual Reporting.

Commencing upon the Completion Date, Borrower must file with OCII annual report forms (the "Annual Monitoring Report") that include audited financial statements with an income and expense statement for the Project covering the applicable reporting period, a statement of balances, deposits and withdrawals from all Accounts, line item statements of Project Expenses, Project Income, Project Fees (if any), Surplus Cash and any Distributions made, evidence of required insurance, a description of marketing activities and a rent roll, no later than one hundred twenty (120) days after the end of Borrower's fiscal year. The Annual Monitoring Report must be in substantially the form attached as **Exhibit H** or as later modified during the Compliance Term.

10.4 Capital Needs Assessment. Borrower must deliver to OCII for review and approval an updated CNA on or before the tenth (10th) anniversary of the Completion Date, and every five years thereafter. The updated CNA must include an analysis of Borrower's actual expenditures for capital needs compared to the most recently approved CNA, Borrower's 20-Year Proforma and initial Annual Operating Budget and its then-current Annual Operating Budget.

10.5 Project Completion Report. Within the specific time periods set forth below after the completion of rehabilitation or construction, the lease-up and/or permanent financing of the Project, as applicable, Borrower must provide to OCII the reports listed below certified by Borrower to be complete and accurate. Subsequent to the required submission of the reports listed below, Borrower shall provide to OCII information or documents reasonably requested by OCII to assist in OCII's review and analysis of the submitted reports. To the extent not otherwise prohibited by applicable Law, Borrower shall provide the following reports:

(a) within one hundred eighty (180) days after completion of rehabilitation or construction, a project completion audit performed by an independent certified public accountant identifying the sources and uses of all Project funds including the Funding Amount;

(b) within thirty (30) days after completion of rehabilitation or construction, a report on use of minority and women owned enterprises including race/ethnicity or gender, the type of work and the dollar value of such work;

(c) within thirty (30) days after seventy-five percent (75%) occupancy, and one hundred percent (100%) occupancy, respectively, a report on the lease-up of the Units including number of leases by race, ethnicity and single-headed household by gender, also indicating the Units by income category; and

10.6 Response to Inquiries. At the request of OCII, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations and condition of the Project, the status of any mortgage encumbering the Project and any other requested information with respect to Borrower or the Project.

10.7 Delivery of Records. At the request of OCII, made through its agents, employees, officers or attorneys, Borrower must provide OCII within a reasonable period of time of no less than sixty (60) days from request therefor with copies of each of the following documents, certified in writing by Borrower to be complete and accurate:

(a) all tax returns filed with the United States Internal Revenue Service, the California Franchise Tax Board and/or the California State Board of Equalization on behalf of Borrower and any general partner or manager of Borrower;

(b) all previously prepared certified financial statements of Borrower and, if applicable, its general partner or manager, the accuracy of which must be certified by an auditor satisfactory to OCII; and

(c) any other records related to Borrower's ownership structure and the use and occupancy of the Site.

10.8 Access to Other Project Books and Records. In addition to Borrower's obligations under **Sections 2.4, 10.1, 10.2,** and **10.3,** any other obligations to provide reports or maintain records in this Agreement or any other OCII Document, Borrower agrees that duly authorized representatives of OCII (which shall include but not be limited to MOHCD staff) will have access to and the right to inspect, copy, audit and examine all books, records and other documents Borrower is required to keep at all reasonable times, following reasonable notice, for the retention period required under **Section 10.9**.

10.9 Records Retention. Borrower must retain all records required for the periods required under applicable Laws.

ARTICLE 11 USE OF INCOME FROM OPERATIONS.

11.1 Project Operating Account.

(a) Borrower must deposit all Project Income promptly after receipt into a segregated depository account (the "Project Operating Account") established exclusively for the Project. Withdrawals from the Project Operating Account may be made only in accordance with the

provisions of this Agreement and the approved Annual Operating Budget, as it may be revised from time to time with the OCII's approval. Borrower may make withdrawals from the Project Operating Account solely for the payment of Project Expenses and Project Fees and payments and distributions of Surplus Cash in accordance with **Section 3.5**. Withdrawals from the Project Operating Account (including accrued interest) for any other purposes may be made only with the OCII's express prior written approval.

(b) Borrower must keep accurate records indicating the amount of Project Income deposited into and withdrawn from the Project Operating Account and the use of Project Income. Borrower must provide copies of the records to the OCII upon request.

ARTICLE 12 REQUIRED RESERVES.

12.1 Replacement Reserve Account.

(a) Commencing no later than sixty (60) days after the Completion Date, or any other date the OCII designates in writing, Borrower must establish or cause to be established a segregated interest-bearing replacement reserve depository account (the "Replacement Reserve Account"). On or before the 15th day of each month following establishment of the Replacement Reserve Account, Borrower must make monthly deposits from Project Income into the Replacement Reserve Account in the amount necessary to meet the requirements of this Section. The OCII may review the adequacy of deposits to the Replacement Reserve Account periodically and require adjustments as it deems necessary, which shall not be unreasonably withheld.

(b) Monthly deposits must equal one-twelfth of the sum of $600 per unit, per year in accordance with the Loan Committee approval dated June 23, 2017, or such other amount as approved by MOHCD Director and OCII Executive Director as part of the Final Financial Plan prior to the Loan Closing Date. Such additional deposits shall be made from available Surplus Cash.

(c) Borrower may withdraw funds from the Replacement Reserve Account solely to fund capital improvements for the Project, such as replacing or repairing structural elements, furniture, fixtures or equipment of the Project that are reasonably required to preserve the Project. Borrower may not withdraw funds (including any accrued interest) from the Replacement Reserve Account for any other purpose without the OCII's prior written approval, which shall not be unreasonably withheld, conditioned or delayed.

12.2 Operating Reserve Account.

(a) Upon the later to occur of: (x) Borrower's tax credit equity investor's capital contribution made in connection with conversion of the Project's senior debt from construction to permanent debt, or (y) sixty (60) days after the Completion Date, Borrower must establish or cause to be established a segregated interest-bearing operating reserve depository account (the "Operating Reserve Account") by depositing funds in an amount equal to three months of the Annual Operating Budget attached hereto as **Exhibit B-2** or such other amount as approved by MOHCD Director and OCII Executive Director as part of the Final Financial Plan prior to the Loan Closing Date.

(b) No less than annually after establishing the Operating Reserve Account and continuing until the Compliance Term has expired, Borrower must make additional deposits, if necessary, to bring the balance in the Operating Reserve Account to an amount equal to the original deposit amount in **Section 12.2(a)**. Such additional deposits shall be made from available Surplus Cash.

(c) Borrower may withdraw funds from the Operating Reserve Account solely to alleviate cash shortages resulting from unanticipated and unusually high maintenance expenses, seasonal fluctuations in utility costs, abnormally high vacancies, other expenses that vary seasonally or from month to month in the Project and reductions in operating subsidy. Borrower may not withdraw funds (including any accrued interest) from the Operating Reserve Account for any other purpose without the OCII's prior written approval.

ARTICLE 13 DISTRIBUTIONS.

13.1 Definition. "Distributions" refers to cash or other benefits received as Project Income from the operation of the Project and available to be distributed to Borrower, its general partners or any party having a beneficial interest in the Project as Surplus Cash, but does not include reasonable payments for property management, asset management, partnership management or other services performed in connection with the Project.

13.2 Conditions to Distributions. The 20-Year Cash Flow Proforma attached hereto as **Exhibit B-2** includes projections of annual Distributions of Surplus Cash. **Exhibit B-2** is not intended to impose limits on the amounts to be annually distributed. Distributions for a particular fiscal year may be made only following: (a) OCII approval of the Annual Monitoring Report submitted for that year; (b) the OCII's determination that Borrower is not in default under this Agreement or any other agreement entered into with the City and County of San Francisco or the OCII for the Project; and (c) the OCII's determination that the amount of the proposed Distribution satisfies the conditions of this Agreement, including, but not limited to **Section 3.5**. OCII will be deemed to have approved Borrower's written request for approval of a proposed Distribution unless OCII delivers its disapproval or request for more information to Borrower within thirty (30) business days after the OCII's receipt of the request for approval.

13.3 Prohibited Distributions. No Distribution may be made in the following circumstances:

(a) when a written notice of default has been issued to Borrower by any entity with an equitable or beneficial interest in the Project and the default is not cured within the applicable cure periods; or

(b) when OCII has delivered a written notice of default to Borrower for a failure to comply with this Agreement and such default has not been remedied, or when OCII determines that Borrower's management agent has failed to comply with this Agreement in accordance with **Section 8.2(b)** and such failure has not been remedied; or

(c) if required debt service on all loans secured by the Project and all operating expenses have not been paid current; or

(d) if the Replacement Reserve Account, Operating Reserve Account or any other reserve account required for the Project is not fully funded under this Agreement; or

(e) if the Loan is to be repaid from Surplus Cash, Borrower failed to make a payment when due on a Payment Date and the sum remains unpaid; or

(f) during the pendency of an uncured Event of Default (including Borrower's failure to provide its own funds at any time OCII determines the Loan is out of balance) under any OCII Document.

13.4 Distributions of Surplus Cash. Distributions of Surplus Cash shall be made in accordance with **Section 3.5**.

ARTICLE 14 SYNDICATION PROCEEDS.

14.1 Distribution and Use. If Borrower is a limited partnership or limited liability company, and unless otherwise approved by OCII in writing, Borrower must allocate, distribute and pay or cause to be allocated, distributed and paid all net syndication proceeds and all loan and grant funds as specified in the Table. Borrower must notify OCII of the receipt and disposition of any net syndication proceeds received by Borrower during the term of this Agreement.

ARTICLE 15 DEVELOPER FEES.

15.1 Amount. OCII has approved the payment of fees in an aggregate amount not to exceed **THREE MILLION FIVE HUNDRED THOUSAND AND No/100 DOLLARS ($3,500,000.00)** for the development of the Project **("Developer Fees")** to be paid in accordance with the Developer Fee Schedule attached hereto as **Exhibit N**. The Developer Fees are comprised of the following.

(a) an amount not to exceed **ONE MILLION TWO HUNDRED THOUSAND AND No/100 DOLLARS ($1,200,000.00)** to Developer for the predevelopment and construction periods of the Project (the "**Project Management Fee**");

(b) an additional amount not to exceed **TWO HUNDRED THOUSAND AND No/100 DOLLARS ($200,000.00)** that is at-risk for cost overruns that exceed the available contingency funds in the final budget for the Project approved by OCII at Loan Closing (the "**At-Risk Fee**");

(d) **TWO MILLION ONE HUNDRED THOUSAND AND No/100 DOLLARS ($2,100,000.00)** that will be included as Deferred Developer Fee (the "**Deferred Developer Fee**").

ARTICLE 16 TRANSFERS.

16.1 Permitted Transfers/Consent. Borrower may not cause or permit any voluntary transfer, assignment or encumbrance of its interest in the Site or Project or of any ownership interests in Borrower, or lease or permit a sublease on all or any part of the Project, other than: (a) transfers of the general partnership or manager's interest in Borrower to a nonprofit public benefit corporation approved in advance by OCII; or (b) removal or replacement of a general partner of Borrower in accordance with the terms of Borrower's limited partnership agreement, for which Borrower will have a period of 180 days to replace a general partner with a 501(c)(3) tax-exempt nonprofit corporation or a wholly-owned subsidiary thereof, subject to OCII's approval; (c) transfers of the limited partner or non-managing member interests in Borrower in accordance with the terms of the Borrower's partnership agreement; or (d) leases, subleases or occupancy agreements with occupants of the residential units. Any other transfer, assignment, encumbrance or lease without OCII's prior written consent will be voidable and, at OCII's election, constitute an Event of Default under this Agreement. OCII's consent to any specific

assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of OCII's rights under this Agreement.

ARTICLE 17 INSURANCE AND BONDS.

17.1 Borrower's Insurance. Subject to approval by OCII's risk manager of the insurers and policy forms, Borrower must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in **Exhibit F**, commencing with Loan Closing and ending upon expiration of the Compliance Term of this Agreement at no expense to OCII.

ARTICLE 18 GOVERNMENTAL APPROVALS.

18.1 Compliance. Borrower covenants that it has obtained or will obtain in a timely manner and comply with all federal, state and local governmental approvals required by Law to be obtained for the Project. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 19 DEFAULT.

19.1 Event of Default. Any material breach by Borrower of any covenant, agreement, provision or warranty contained in this Agreement or in any of the OCII Documents that remains uncured upon the expiration of any applicable notice and cure periods contained in any OCII Document, including without limitation, **Section 21.3** hereof, will constitute an "Event of Default," including the following:

(a) Borrower fails to make any payment required under this Agreement within fifteen (15) days after the date when due; or

(b) On or after the Loan Closing Date, any lien is recorded against all or any part of the Site or the Project without OCII's prior written consent, whether prior or subordinate to the lien of the Deed of Trust or Declaration of Restrictions, and the lien is not removed from title, bonded over, or otherwise remedied to the OCII's satisfaction within thirty (30) days after Borrower's receipt of written notice from OCII to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the OCII, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(c) Borrower fails to perform or observe any other term, covenant or agreement contained in any OCII Document, and the failure continues for thirty (30) days after Borrower's receipt of written notice from OCII to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by OCII, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(d) Any representation or warranty made by Borrower in any OCII Document proves to have been incorrect in any material respect when made; or

(e) All or a substantial or material portion of the improvements on the Site is damaged or destroyed by fire or other casualty, and OCII has determined upon restoration or repair that the security of the Deed of Trust has been impaired or that the repair, restoration or replacement of the improvements in accordance with the requirements of the Deed of Trust is not economically practicable or is not completed within two (2) years of the receipt of insurance proceeds; or all or a substantial or material portion of the improvements is condemned, seized or appropriated by any non-City Governmental Agency or subject to any action or other proceeding instituted by any non-City Governmental Agency for any purpose with the result that the improvements cannot be operated for their intended purpose;

(f) Borrower is dissolved or liquidated or merged with or into any other entity; or, if Borrower is a corporation, partnership, limited liability company or trust, Borrower ceases to exist in its present form (unless otherwise approved pursuant to Article 16) and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or, if Borrower is an individual, Borrower dies or becomes incapacitated; or all or substantially all of the assets of Borrower are sold or otherwise transferred except as permitted under **Section 16.1**; or

(g) Without OCII's prior written consent as required under the terms of this Agreement, Borrower assigns or attempts to assign any rights or interest under any OCII Document, whether voluntarily or involuntarily, except as permitted under **Section 16.1**; or

(h) Without OCII's prior written consent, Borrower voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Borrower except as permitted under **Article 16**; or

(i) Without OCII's prior written consent, Borrower transfers, or authorizes the transfer of, funds in any Account required or authorized under this Agreement; or

(j) Either the Deed of Trust or the Declaration of Restrictions ceases to constitute a valid and indefeasible perfected lien on the Site and improvements, subject only to Permitted Exceptions; or

(k) Borrower is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee or similar official for Borrower or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship,

liquidation, rehabilitation or similar proceeding relating to Borrower or to all or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against the Site, the improvements or any other property of Borrower and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or

(l) Any material adverse change occurs in the financial condition or operations of Borrower, that has a material adverse impact on the Project such that absent intervention an Event of Default (other than under this **Section 19.1(l)**) is likely to occur and Borrower has not, within 90 days of the material adverse change, remedied the situation or presented to OCII a plan that in OCII's reasonable judgment is likely to remedy the situation; or

(m) Borrower fails to make any payments or disbursements required to bring the Loan in balance after OCII determines that the Loan is out of balance, provided Borrower shall have received written notice of such determination and at least fourteen (14) days thereafter to make such payment; or

(n) On or after the Loan Closing Date and before a certificate of occupancy is issued for the Project, Borrower ceases rehabilitation or construction of the Project for a period of fifteen (15) consecutive working days, and the cessation is not excused under **Section 19.3**; or

(o) Borrower is in default of its obligations with respect to any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable cure periods; or

(p) Borrower is in default of its obligations under any other agreement entered into with OCII or the City and County of San Francisco, and the default remains uncured following the expiration of any applicable cure periods.

19.2 Remedies. During the pendency of an uncured Event of Default, OCII may exercise any right or remedy available under this Agreement or any other OCII Document or at law or in equity. All of OCII's rights and remedies following an Event of Default are cumulative, including:

(a) OCII at its option may declare the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other OCII Documents, immediately due and payable without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which Borrower expressly waives.

(b) OCII at its option may terminate all commitments to make Disbursements, or, without waiving the Event of Default, OCII may determine to make further Disbursements upon terms and conditions satisfactory to OCII in its sole discretion.

(c) OCII may perform any of Borrower's obligations in any manner, in OCII's reasonable discretion.

(d) OCII may terminate this Agreement.

(e) OCII, either directly or through an agent or court-appointed receiver, may take possession of the Project and enter into contracts and take any other action OCII deems appropriate to complete or construct all or any part of the improvements, subject to modifications and changes in the Project OCII deems appropriate.

(e) OCII may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions necessary or desirable to correct Borrower's noncompliance with this Agreement.

(f) Upon the occurrence of an Event of Default described in **Section 19.1(k)**, the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other OCII Documents, will become due and payable automatically.

(g) All costs, expenses, charges and advances of OCII in exercising its remedies or to protect the Project will be deemed to constitute a portion of the principal balance of the Note, even if it causes the principal balance to exceed the face amount of the Note, unless Borrower reimburses OCII within ten (10) days of OCII's demand for reimbursement.

19.3 Force Majeure. The occurrence of any of the following events will excuse performance of any obligations of OCII or Borrower to the extent such causes result in enforced delays in the performance of such parties obligations hereunder: strikes; lockouts; labor disputes; acts of God; inability to obtain labor, materials or reasonable substitutes for either; governmental restrictions, regulations or controls; judicial orders; enemy or hostile governmental actions; civil commotion; fire or other casualty and other causes beyond the control of the party obligated to perform. The occurrence of a force majeure event will excuse Borrower's performance only in the event that Borrower has provided notice to OCII within thirty (30) days after the occurrence or commencement of the event or events, and Borrower's performance will be excused for a period ending thirty (30) days after the termination of the event giving rise to the delay.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Borrower Representations and Warranties. As a further inducement for OCII to enter into this Agreement, Borrower represents and warrants as follows:

(a) The execution, delivery and performance of the OCII Documents will not contravene or constitute a default under or result in a lien upon assets of Borrower under any applicable Law, any Charter Document of Borrower or any instrument binding upon or affecting

Borrower, or any contract, agreement, judgment, order, decree or other instrument binding upon or affecting Borrower.

(b) When duly executed, the OCII Documents will constitute the legal, valid and binding obligations of Borrower. Borrower hereby waives any defense to the enforcement of the OCII Documents related to alleged invalidity of the OCII Documents.

(c) No action, suit or proceeding is pending or threatened that might affect Borrower or the Project adversely in any material respect.

(d) Borrower is not in default under any agreement to which it is a party, including any lease of real property.

(e) None of Borrower, Borrower's principals or Borrower's general contractor has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Borrower, any of its principals or its general contractor been suspended, disciplined or prohibited from contracting with any Governmental Agency.

(f) All statements and representations made by Borrower in connection with the Loan remain true and correct as of the date of this Agreement.

ARTICLE 21 NOTICES.

21.1 Written Notice. All notices required by this Agreement must be made in writing and may be communicated by personal delivery, facsimile (if followed within one (1) business day by first class mail) or by United States certified mail, postage prepaid, return receipt requested. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

To OCII:	Office of Community Investment and Infrastructure Successor Agency to the San Francisco Redevelopment Agency 1 South Van Ness, 5th Floor San Francisco, CA 94103 Attn: Executive Director
With a copy to:	Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, 5th Floor San Francisco, CA 94103 Attn: Director
To Borrower:	MB3E, L.P. c/o Chinatown Community Development Center, Inc.

Housing Development
1515 Vallejo Street, 4th Floor
San Francisco, CA 94109
Attn: Executive Director

Swords – MB3E LLC
Swords to Plowshares
1060 Howard Street
San Francisco, CA 94103
Attn: Executive Director

or any other address a party designates from time to time by written notice sent to the other party in manner set forth in this Section.

21.2 Required Notices. Borrower agrees to provide notice to OCII in accordance with **Section 21.1** of the occurrence of any change or circumstance that: (a) will have an adverse effect on the physical condition or intended use of the Project; (b) causes the Loan to be out of balance; or (c) will have a material adverse effect on Borrower's operation of the Property or ability to repay the Loan.

21.3 Notice and Cure Rights of Investor Limited Partner. If an Event of Default occurs, or an event occurs that, with notice or the passage of time, or both, could constitute an Event of Default, OCII shall give Investor Limited Partner the same written notice given to the Borrower as required herein. Investor Limited Partner shall have the right, but not the obligation, to cure defaults within the time periods provided to Borrower herein. With respect to any right of cure provided herein, performance of a cure by Investor Limited Partner shall have the same effect as would like performance by Borrower. Unless OCII is otherwise notified, notices to Investor Limited Partner shall be sent to the address provided in **Section 21.1** above.

ARTICLE 22 HAZARDOUS SUBSTANCES.

22.1 Borrower's Representations. Borrower represents and warrants to OCII that, to the best of Borrower's actual knowledge, without independent investigation or inquiry as of the Agreement Date, the following statements are true and correct: (a) the Site is not in violation of any Environmental Laws; (b) the Site is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Substances, except in limited quantities customarily used in residences and offices and in compliance with Environmental Laws; (c) the Site does not consist of any landfill or contain any underground storage tanks; (d) the improvements on the Site do not consist of any asbestos-containing materials or building materials that contain any other Hazardous Substances; (e) no release of any Hazardous Substances in the improvements on the Site has occurred or in, on, under or about the Site; and (f) the Site is not subject to any claim by any Governmental Agency or third party related to any Environmental Activity or any inquiry by any Governmental Agency (including

the California Department of Toxic Substances Control and the Regional Water Quality Control Board) with respect to the presence of Hazardous Substances in the improvements on the Site or in, on, under or about the Site, or the migration of Hazardous Substances from or to other real property.

22.2 Covenant. Unless OCII otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Borrower must: (a) comply with all applicable Environmental Laws relating to the Site and the Project, and not engage in or otherwise permit its agents to cause the occurrence of any Environmental Activity in violation of any applicable Environmental Laws or that is not customary and incidental to the intended use of the Site, *provided that* nothing contained in this Section will prevent Borrower from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws; and (b) deliver to OCII notice of the discovery by Borrower of any Environmental Activity on the Site promptly following Borrower's discovery.

ARTICLE 23 INDEMNITY.

23.1 Borrower's Obligations. Borrower must Indemnify OCII, the City, and their respective officers, agents and employees (individually or collectively, an "Indemnitee") against any and all Losses arising out of: (a) any default by Borrower in the observance or performance of any of Borrower's obligations under the OCII Documents (including those covenants set forth in **Article 22** above); (b) any failure of any representation by Borrower to be correct in all respects when made; (c) injury or death to persons or damage to property or other loss occurring on or in connection with the Site or the Project, whether caused by the negligence or any other act or omission of Borrower or any other person or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation or maintenance or any other condition or otherwise, but only to the extent such event (x) occurs on or after Loan Closing and (y) arises directly or indirectly from Borrower's (or its agents) activities on the Site; (d) any claim of any surety in connection with any bond relating to the construction or rehabilitation of any improvements or offsite improvements performed by Borrower or its agents; (e) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of the OCII Documents, the Loan, Borrower's (or its agents') activities on the Site or Borrower's (or its agents') construction of the Project, or any transaction contemplated by, or the relationship between Borrower and OCII or Borrower and the City; (f) the occurrence, before the expiration of the term of this Agreement, of any Environmental Activity arising directly or directly from Borrower's (or its agents) activities on the Site or any failure of Borrower or any other person to comply with all applicable Environmental Laws relating to Borrower's (or its agents) activities on the Project or the Site; (g) the occurrence, after the termination of this Agreement, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring before the termination of this Agreement relating to Borrower's (or its agents) activities on the Project or the Site; (h) any liability of any nature arising from Borrower's contest of or relating to the application of any Law, including any contest permitted under **Sections 9.1, 18.1** and **22.1**; or (i) any claim, demand or cause of action, or any investigation, inquiry, order, hearing, action or other proceeding by or

before any Governmental Agency, whether meritorious or not, that directly or indirectly relates to, arises from or is based on the occurrence or allegation of any of the matters described in clauses (a) through (h) above, *provided that* no Indemnitee will be entitled to indemnification under this Section for matters caused solely by its own gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, upon written notice, Borrower must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Borrower's sole expense. Each Indemnitee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the matters covered by this Agreement. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement. Any indemnification obligation of the Borrower and/or its partners under the OCII Documents shall not extend to repayment of principal or interest in the Loan. The sole recourse of OCII under the OCII Documents for repayment of the Loan shall be the exercise by OCII of its rights against the Project.

23.2 No Limitation. Borrower's obligations under **Section 23.1** are not limited by the insurance requirements under this Agreement.

ARTICLE 24 GENERAL PROVISIONS.

24.1 Subordination. The Deed of Trust and Declaration of Restrictions may be subordinated to any conventional financing secured by and used for development of the Project and may be subordinated to any other public financing secured by and used for development of the Project (in each case, a "Senior Lien"). Subordination to any other financing shall only occur if OCII determines in its sole discretion that subordination is necessary to secure adequate acquisition, construction, rehabilitation and/or permanent financing to ensure the viability of the Project. Following review and approval by OCII and approval as to form by the City Attorney's Office, the Director of OCII or his/her successor or designee will be authorized to execute any approved subordination agreement without the necessity of any further action or approval. Notwithstanding the foregoing, OCII hereby agrees to subordinate the Deed of Trust and its Declaration of Restrictions to the bond financing to be obtained by Borrower, including any applicable deeds of trust or regulatory agreements.

24.2 No Third Party Beneficiaries other than City. Nothing contained in this Agreement, nor any act of OCII, may be interpreted or construed as creating the relationship of third party beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between OCII and Borrower or Borrower's agents, employees or contractors. Notwithstanding the forgoing, OCII and Borrower hereby acknowledge and agree that as the intended assignee of OCII's rights under the OCII Documents, the City is a third party beneficiary under the OCII Documents.

24.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any claim against OCII by any person or entity with respect to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Project. Borrower must include this requirement as a provision in any contracts for the development of the Project.

24.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by OCII and Borrower with regard to the subject matter of this Agreement. No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto. No oral understandings or agreements not incorporated herein will be binding on OCII or Borrower.

24.5 OCII Obligations. OCII's sole obligation under this Agreement is limited to providing funds as described in this Agreement, up to the Funding Amount. Under no circumstances, including breach of this Agreement, will OCII be liable to Borrower for any special or consequential damages arising out of actions or failure to act by OCII in connection with any of the OCII Documents.

24.6 Borrower Solely Responsible. Borrower is an independent contractor with the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance contemplated under this Agreement. Borrower is solely responsible for: (a) its own acts and those of its agents, employees and contractors and all matters relating to their performance, including compliance with Social Security, withholding and all other Laws governing these matters and requiring that contractors include in each contract that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Borrower, any of its contractors or subcontractors and OCII and its officers, representatives, agents and employees on account of any act, error or omission of Borrower in the performance of this Agreement or any other OCII Document and the development and operation of the Project; and (c) all costs and expenses relating to Borrower's performance of obligations under the OCII Documents, the delivery to OCII of documents, information or items under or in connection with any of the OCII Documents and taxes, fees, costs or other charges payable in connection with the execution, delivery, filing and/or recording of any OCII Document or document required under any OCII Document.

24.7 No Inconsistent Agreements. Borrower warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of this Agreement.

24.8 Inconsistencies in OCII Documents. In the event of any conflict between the terms of this Agreement and any other OCII Document, the terms of this Agreement control unless otherwise stated; *provided, however,* that any provision in this Agreement in conflict with any Law will be interpreted subject to that Law.

24.9 Governing Law. This Agreement is governed by California law without regard to its choice of law rules.

24.10 Joint and Several Liability. If more than one person or entity signs this Agreement as Borrower, the obligations of Borrower each such persons and entities shall be jointly and severally liable for the obligations of the Borrower.

24.11 Successors. Except as otherwise limited herein, the provisions of this Agreement bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns. This provision does not relieve Borrower of its obligation under the OCII Documents to obtain OCII's prior written consent to any assignment or other transfer of Borrower's interests in the Loan, the Site or the ownership interests in Borrower, in accordance with Article 16.

24.12 Attorneys' Fees. If any legal action is commenced to enforce any of the terms of this Agreement or rights arising from any party's actions in connection with this Agreement, the prevailing party will have the right to recover its reasonable attorneys' fees (including allocated fees of the City Attorney's Office) and costs of suit from the other party, whether incurred in a judicial, arbitration, mediation or bankruptcy proceeding or on appeal. For the purposes of this Agreement, reasonable fees of attorneys in the City Attorney's office will be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter of law for which the City Attorney's services were rendered, who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office. An award of attorneys' fees and costs will bear interest at the default rate under the Note from the date of the award until paid.

24.13 Severability. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

24.14 Time. Time is of the essence in this Agreement. Whenever the date on which an action must be performed falls on a Saturday, Sunday or federal holiday, the date for performance will be deemed to be the next succeeding business day.

24.15 Further Assurances. Borrower agrees to: (a) pursue in an effective and continuous manner; (b) use best efforts to achieve; and (c) take all actions reasonably required by OCII from time to time to confirm or otherwise carry out the purpose of this Agreement.

24.16 Binding Covenants. The provisions of the OCII Documents constitute covenants running with the land and will be binding upon Borrower and Borrower's successors and assigns, and all parties having or acquiring any right, title or interest in whatever form, including leasehold interests (other than Tenants and approved commercial tenants), in or to any part of the Property, except that the same will terminate and become void automatically at the expiration of the term of this Agreement. Any attempt to transfer any right, title or interest in the Property in violation of these covenants will be void.

24.17 Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any OCII Document, that party agrees not to withhold or delay its consent or approval unreasonably.

24.18 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute but one agreement.

24.19 Borrower's Personnel. The Project shall be implemented only by competent personnel under the direction and supervision of Borrower.

24.20 Borrower's Board of Directors. Borrower or its managing general partner (or managing member of its general partner) shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in its bylaws and other governing documents, and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Said board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Borrower of its obligations under this Agreement.

24.21 Ownership of Results. Any interest of Borrower or any sub-borrower, in drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of computer diskettes, or other documents or Publications prepared by or on behalf of Borrower or any sub-borrower in connection with this Agreement, the implementation of the Project, the services to be performed under this Agreement, or acquired through the use of any Loan proceeds ("Work Product"), is hereby pledged to OCII as security for Borrower's obligations under this Agreement and the Note, pursuant to that certain Assignment of Work Product attached hereto as **Exhibit O**, and upon an Event of Default, subject to all applicable notice and cure periods, shall become the property of and be promptly transmitted by Borrower to OCII. Notwithstanding the foregoing, Borrower may retain and use copies for reference and as documentation of its experience and capabilities.

This Agreement constitutes a security agreement under the California Uniform Commercial Code, as it may be amended from time to time, and Borrower authorizes OCII to file any financing statements OCII elects and deems necessary to perfect its security interest in the Work Product.

24.22 Works for Hire. If, in connection with this Agreement or the implementation of the Project, Borrower creates artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship or Publications, such creations shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such creations shall be the property of OCII. If it is ever determined that any such creations are not works for hire under applicable law, Borrower hereby assigns all copyrights thereto to OCII, and agrees to provide any

material, execute such documents and take such other actions as may be necessary or desirable to effect such assignment. With the prior written approval of OCII, Borrower may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Borrower shall use commercially reasonable efforts to obtain all releases, assignments or other agreements from other persons or entities implementing the Project to ensure that OCII obtains the rights set forth in this Section.

24.23 Recourse. OCII's recourse against Borrower following an Event of Default is limited as set forth more specifically in the Note.

24.24 Assignment. OCII and Borrower hereby acknowledge and agree that, effective upon the date of issuance of the certificate of completion, all of OCII's rights, interests and obligations under this Agreement shall be assigned to MOHCD. OCII and Borrower hereby agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this **Section 24.24**. Upon assignment to MOHCD, all references herein to OCII shall be deemed references to MOHCD.

24.25 Exhibits. The following exhibits are attached to this Agreement and incorporated by reference:

EXHIBITS

A	Schedules of Income and Rent Restrictions
B-1	Table of Sources and Uses of Funds
B-2	Annual Operating Budget
B-3	20-Year Cash Flow Proforma
C	Form of Tenant Income Certification
D	Form of Promissory Note
E	Contract Compliance Policies
F	Insurance Requirements
G	Lobbying/Debarment Certification Form
H	Form of Annual Monitoring Report
I	Tenant Selection Plan Policy
J	Form of Deed of Trust
K	Form of Declaration of Restrictions
L	Schedule of Performance
M	OCII Monthly Project Update Form
N	Developer Fee Schedule
O	Assignment of Work Product
P	Consent to Assignment of Work Product
Q	Legal Description of the Site
R	Final Financial Plan Confirmation Letter
S	Operational Rules for San Francisco Housing Lotteries and Rental Lease-Up Activities
T-1	Early Outreach Plan Template

T-2 Marketing Plan Template and Tenant Selection Plan Template
T-3 Marketing Process and Timeline

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

OCII:
Office of Community Investment and Infrastructure, 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

By: _____
Nadia Sesay
Executive Director

APPROVED AS TO FORM:
James B. Morales, OCII General Counsel

By: _____
Aaron J. Foxworthy
Deputy General Counsel

Authorized by OCII Resolution No. _____, dated November ___, 2017

BORROWER:
MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation,
its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation,
its sole member/manger

By: _____
Michael Blecker, Executive Director

EXHIBIT A

Schedules of Income and Rent Restrictions*

Unit Type	Number of Units	Avg. Sq. Feet	Max. Rent	Max % AMI	Target AMI	Rent or Operating Subsidies
Studio	2	399	$1,210	60%	30%	LOSP
Studio	10	399	$1,210	60%	30%	HUD-VASH
1BR	5	460	$1,384	60%	30%	LOSP
1BR	45	460	$1,384	60%	30%	HUD-VASH
1BR	3	507	$1,384	60%	50%	None
1BR	2	507	$1,384	60%	60%	None
2BR	19	742	$1,556	60%	50%	None
2BR	11	742	$1,556	60%	60%	None
2BR	1	-	-	-	-	Manager
3BR	11	1,022	$1,730	60%	50%	None
3BR	10	1,022	$1,730	60%	60%	None
Total Units	119	629				

*The foregoing schedule represents the rent restrictions in place at the time of execution (2017) of this Agreement. The maximum rent levels shall be updated upon commencement of leasing of the Project, and the updated numbers shall be the applicable maximum rents for the first year of leasing of the Project.

In the event that the LOSP or VASH subsidy to the Project terminates, these requirements shall terminate for these Units, and the maximum income level allowed for such Units shall be 60% of Median Income.

The total amount for rent and utilities (with the maximum allowance for utilities determined by the San Francisco Housing Authority) charged to a Qualified Tenant may not exceed:

(i) thirty percent (30%) of the applicable Median Income set forth above, adjusted for household size; or

(ii) the fair market rent established by the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates.

Rents for all Units may be increased once annually in accordance with any increase in the rents according to MOHCD's "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," published on an annual basis, based upon the maximum applicable target AMIs provided in the table above; provide, however, that for the VASH units, the target AMI shall be based on the AMI as determined by the California Tax Credit Allocation Committee, adjusted solely for actual household size.

EXHIBIT B-1

Table of Sources and Uses of Funds

The Final Financial Plan, including the Table of Sources and Uses of Funds is pending and subject to approval by OCII Executive Director and MOHCD Director, prior to the Loan Closing Date.

EXHIBIT B-2

Annual Operating Budget

EXHIBIT B-3

20-Year Cash Flow Proforma

The Final Financial Plan, including the Annual Operating Budget is pending and subject to approval by OCII Executive Director and MOHCD Director, prior to the Loan Closing Date.

EXHIBIT C

Tenant Income Certification Form

EXHIBIT D

Form of Promissory Note

PROMISSORY NOTE

Principal Amount: $_____ San Francisco, CA

Date: _____, 2017

FOR VALUE RECEIVED, the undersigned,_____, L.P., a California limited partnership ("Maker"), hereby promises to pay to the order of the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, hereafter referred to as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California ("OCII"), including any successors or assigns), or holder (as the case may be, "Holder"), the principal sum of TWENTY MILLION NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($20,093,600.00) (the "Funding Amount"), or so much of the Funding Amount as may be disbursed from time to time pursuant to the Agreement described in **Section 1** below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("Note") is given under the terms of a Loan Agreement by and between Maker and Holder (the "Agreement") dated as of the date set forth above, which Agreement is incorporated herein by reference. Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of three percent (3%) per annum, simple interest, from the date of disbursement of funds by Holder through the date of full payment of all amounts owing under the OCII Documents. Prior to the Loan Closing Date, the OCII Executive Director and MOHCD Director may decrease the interest rate to any interest rate between 3% and 0%.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any OCII Document, interest will be deemed to have accrued on the outstanding principal balance of the Loan at a compounded annual rate equal to the lesser of: (a) ten percent (10%); or (b) the maximum lawful rate of interest, commencing on the date on which Maker receives written notice from Holder of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the OCII Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any OCII Document.

4. Repayment of Funding Amount. Maker must repay all amounts owing under the OCII Documents in accordance with **Section 3.1** of the Agreement.

All Payments will be applied in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Loan. The unpaid principal balance of the Loan, together with all accrued and unpaid interest and unpaid costs and fees incurred, will be due and payable on the Maturity Date, as such term is defined in the Agreement. Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

5. Security. Maker's obligations under this Note are secured by (i) prior to the Maker's obtaining interest in the Site, the pledge of Work Product given in the Assignment of Work Product, or (ii) on the date that the Maker obtains interest in the Site, by the Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Subject to the terms in this Note, Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 Subject to this Section, Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the Deed of Trust, or exercise of Holder's rights under the Assignment of Work Product, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Loan, *provided, however*, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the OCII Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover from Maker sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Loan funds and Rents (as defined in the Deed of Trust)), waste or negligent or intentional damage to the collateral for the Loan.

6.6 This Note may be prepaid in whole or in part at any time, and from time to time, without penalty provided that notice is given to Holder no later than sixty (60) days prior to prepayment.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Loan subject to all applicable notice and cure rights.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the OCII Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Loan, together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company, its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company, its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

EXHIBIT E
Contract Compliance Policies

1. Equal Opportunity Policies. Borrower shall comply with OCII's Equal Opportunity Policies:

(i) Small Business Enterprise (SBE) Policy (adopted by Resolution No. 43-2015, July 7, 2015);

(ii) Construction Workforce;

(iii) Prevailing Wage Policy (adopted by Resolution No. 327-1985 Nov. 12, 1985);

(iv) Nondiscrimination in Contracts and Benefits (adopted by Resolution No. 175-1997);

(v) Health Care Accountability Policy (adopted by Resolution No. 168-2001) ; and

(vi) Minimum Compensation Policy (adopted by Resolution No. 168-2001).

Copies of the aforementioned policies are available on the OCII website at sfocii.org/index.aspx?page=126.

2. Environmental Review. The Project must meet the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 *et seq.*) and implementing regulations.

3. Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Borrower or OCII who exercises or has exercised any function or responsibilities with respect to activities assisted by the Funding Amount, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Borrower must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Borrower will be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Borrower must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Borrower represents that it is familiar with the provisions of Sections 1090 through 1097 and 87100 *et seq*. of the California Government Code, all of which relate to prohibited conflicts of interest in connection with government contracts. Borrower certifies that

it knows of no facts that constitute a violation of any of these provisions and agrees to notify OCII immediately if Borrower at any time obtains knowledge of facts constituting a violation.

(c) In the event of any violation of the conflict of interest prohibitions, Borrower agrees that OCII may refuse to consider any future application for funding from Borrower or any entity related to Borrower until the violation has been corrected to OCII's satisfaction, in OCII's sole discretion.

4. Disability Access. Borrower must comply with all applicable disability access Laws, including the Americans With Disabilities Act (42 U.S.C. §§ 1201 *et seq.*), Section 504 of the Rehabilitation Act (29 U.S.C. § 794) and the Fair Housing Amendments Act (42 U.S.C. §§ 3601 *et seq.*). Borrower is responsible for determining which disability access Laws apply to the Project, including those applicable due to the use of the Funding Amount. In addition, before occupancy of the Project, Borrower must provide to OCII a written reasonable accommodations policy that indicates how Borrower will respond to requests by disabled individuals for accommodations in Units and common areas of the Project.

5. Lead-Based Paint. Borrower must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq*.) and implementing regulations at 24 CFR part 35. Borrower must also comply with the provisions contained in 17 CCR 350000 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

6. Relocation. Borrower must meet any applicable requirements of the California Relocation Assistance Act (Cal. Gov. Code §§ 7260 *et seq*.) and implementing regulations in Title 25, Chapter 6 of the California Administrative Code and similar Laws.

7. Non-Discrimination in OCII Contracts and Benefits Policy.

(a) Borrower May Not Discriminate. In the performance of this Agreement, Borrower agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Borrower, in any of Borrower's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by Borrower.

(b) Non-Discrimination in Benefits. Borrower does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for OCII or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic

partners and spouses of such employees, where the domestic partnership has been registered with a Governmental Agency under state or local law authorizing such registration, subject to the conditions set forth in the Agency's Nondiscrimination in Contracts Policy, adopted by Agency Resolution 175-97, as amended from time to time.

8. Public Disclosure.

(a) Borrower understands and agrees that under the State Public Records Law (Cal. Gov. Code §§ 6250 *et seq.*), this Agreement and any and all records, information and materials submitted to OCII or the City hereunder are public records subject to public disclosure. Borrower hereby authorizes OCII and the City to disclose any records, information and materials submitted to OCII or the City in connection with this Agreement as required by Law.

9. Compliance with Minimum Compensation Policy and Health Care Accountability Policy. Borrower agrees, as of the date of this Agreement and during the term of this Agreement, to comply with the provisions of the Agency's Minimum Compensation Policy and Health Care Accountability Policy (the "Policies"), adopted by Agency Resolution 168-2001, as such policies may be amended from time to time. Such compliance includes providing all "Covered Employees," as defined under Section 2.7 of the Policies, a minimum level of compensation and offering health plan benefits to such employees or to make payments to the City's Department of Public Health, or to participate in a health benefits program developed by the City's Director of Health.

10. Limitations on Contributions. Through execution of this Agreement, Borrower acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the Agency for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Borrower acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of FIFTY THOUSAND AND No/100 DOLLARS ($50,000.00) or more. Borrower further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Borrower's board of directors; Borrower's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Borrower; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Borrower. Additionally, Borrower acknowledges that Borrower must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

Finally, Borrower agrees to provide to OCII the names of each member of Borrower's general partners' (or, if applicable, general partners' managing members) board of directors; Borrower's general partners' (or, if applicable, general partners' managing members)

chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Borrower's general partners (or, if applicable, general partners' managing members); any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Borrower.

EXHIBIT F

Insurance Requirements

Subject to approval by the OCII Risk Manager of the insurers and policy forms Borrower must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below throughout the Compliance Term of this Agreement at no expense to the OCII:

1. Borrower, Contractors.

(a) to the extent Borrower or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than ONE MILLION DOLLARS ($1,000,000) for bodily injury by accident and not less than ONE MILLION DOLLARS $1,000,000/person in the annual aggregate for bodily injury by disease;

(b) commercial general liability insurance, with limits set forth below, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; broad form property damage; explosion, collapse and underground (XCU); products and completed operations, as follows:

(i) not less than ONE MILLION DOLLARS ($1,000,000) combined single limit per occurrence and TWO MILLION DOLLARS ($2,000,000) annual aggregate limit before the start of demolition/construction if the Site is unoccupied;

(ii) not less than FIVE MILLION DOLLARS ($5,000,000) combined single limit per occurrence and TEN MILLION DOLLARS ($10,000,000) annual aggregate limit during demolition/construction and occupancy of the Site/ongoing operations of the Project;

(c) business automobile liability insurance, with limits not less than ONE MILLION DOLLARS ($1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance for all professionals employed in connection with the Project, with limits not less than TWO MILLION DOLLARS ($2,000,000) each claim, and FOUR MILLION DOLLARS ($4,000,000) annual aggregate limit for architects and TWO MILLION DOLLARS ($2,000,000) annual aggregate for any other professionals with respect to negligent acts, errors or omissions in connection with professional services to be provided in connection with the Project. Any deductible over FIFTY THOUSAND DOLLARS ($50,000) each claim must be reviewed by Risk Management.

(e) crime policy or fidelity bond covering Borrower's officers and employees against dishonesty with respect to the Funding Amount, in the amount of SEVENTY FIVE THOUSAND DOLLARS ($75,000) each loss, with any deductible not to exceed FIVE

THOUSAND DOLLARS ($5,000) each loss, including the OCII as additional obligee or loss payee.

(f) Pollution Liability and/or Asbestos Pollution Liability: Pollution Liability and/or Asbestos Pollution Liability applicable to the work being performed, with a limit no less than ONE MILLION DOLLARS ($1,000,000) per claim or occurrence and TWO MILLION DOLLARS ($2,000,000) aggregate per policy period of one year, this coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Tenant's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the Project.

2. Property Insurance. Borrower must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) during the course of any construction, builders' risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and OCII property in the care, custody and control of Borrower or its contractor, including coverage in transit and storage off-site, with a deductible not to exceed TEN THOUSAND DOLLARS ($10,000) each loss, including the OCII and all subcontractors as loss payees;

(b) property insurance, special form coverage, excluding earthquake and flood, but including vandalism and malicious mischief, for one hundred percent (100%) of the replacement value of all furnishings, fixtures, equipment, improvements, alterations and property of every kind located on or appurtenant to the Site, including coverage for loss of rental income due to an insured peril for twelve (12) months, with a deductible not to exceed TEN THOUSAND DOLLARS ($10,000) each loss, including the OCII as a named insured;

(c) boiler and machinery insurance, comprehensive form, in the amount of replacement value of all insurable objects, with any deductible not to exceed TEN THOUSAND DOLLARS ($10,000) each loss, including the OCII as a named insured; and

(d) during construction and/or rehabilitation, performance and payment bonds of contractors, each in the amount of one hundred percent (100%) of contract amounts, naming the OCII and Borrower as dual obligees, or other completion security approved by the OCII in its sole discretion The OCII has approved issuance of a Completion Guaranty by an affiliate of Borrower to Borrower's institutional lender as completion security.

3. INTENTIONALLY DELETED

4. General Requirements.

(a) General and automobile liability policies of Borrower, contractors, commercial tenants and property managers must include the OCII, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the OCII.

(b) All policies required by this Agreement must, if available, be endorsed to provide no less than thirty (30) days' written notice to the OCII before cancellation or intended non-renewal is effective.

(c) With respect to any property insurance, Borrower hereby waives all rights of subrogation against the OCII to the extent of any loss covered by Borrower's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Borrower's insurance by the OCII will not relieve or decrease the liability of Borrower under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the OCII and its officers, agents and employees will not be liable for any required premium.

(f) The OCII reserves the right to require an increase in insurance coverage in the event the OCII determines that conditions show cause for an increase, unless Borrower demonstrates to the OCII's satisfaction that the increased coverage is commercially unreasonable and unavailable to Borrower.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Borrower must provide the OCII with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

EXHIBIT G

Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

D. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

E. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for such failure.

F. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funding Amount on the Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of $100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

EXHIBIT H

Form of Annual Monitoring Report

EXHIBIT I

Tenant Screening Criteria Policy and Tenant Selection Plan Policy*

*These policies apply only to the Project's low-income family units. Prospective tenants of the 55 VASH units for formerly homeless veterans will be referred through the San Francisco office of Veterans Affairs. Prospective tenants of the 7 LOSP units will be referred by the Department of Homelessness and Supportive Housing (HSH).

The screening criteria and considerations outlined below encourage providers to "screen in" rather than "screen out" applicants who have a criminal record. These requirements are also designed to satisfy the requirements of San Francisco Police Code Article 49, Sections 4901-4920. This policy describes a minimum level of leniency; providers are encouraged to adopt less restrictive policies and processes whenever appropriate. For example, providers may opt not to review or consider applicant criminal records at all.

Screening Criteria

- Housing providers shall not automatically bar applicants who have a criminal record[1] in recognition of the fact that past offenses do not necessarily predict future behavior, and many applicants with a criminal record are unlikely to re-offend.
- Housing providers shall not consider:
    - arrests that did not result in convictions, except for an open arrest warrant;
    - convictions that have been expunged or dismissed under Cal. Penal Code § 1203.4 or 1203.4a;[2]
    - juvenile adjudications.
- Housing providers shall consider:
    - the individual circumstances of each applicant; and
    - the relationship between the offense, and
        - (1) the safety and security of other tenants, staff and/or the property; and
        - (2) mitigating circumstances such as those listed below.
    - only those offenses that occurred in the prior 7 years, except in exceptional situations, which must be documented and justified, such as where the housing provider staff is aware that the applicant engaged in violent criminal activity against staff, residents or community members and/or that the applicant intentionally submitted an application with materially false information regarding criminal activity.
    - mitigating factors, including, but not limited to:
        - (1) the seriousness of the offense;
        - (2) the age and/or circumstances of the applicant at the time of the offense;
        - (3) evidence of rehabilitation, such as employment, participation in a job training program, continuing education, participation in a drug or alcohol

[1] The policy recognizes that some housing may be subject to mandatory laws that require the exclusion of an applicant based upon certain types of criminal activity.

[2] The purpose of the statute is allow a petitioner to request a dismissal of the criminal accusations, a change in plea or setting aside of a verdict and to seek to have certain criminal records sealed or expunged and a release "from all penalties and disabilities resulting from the offense."

treatment program, or letters of support from a parole or probation officer, employer, teacher, social worker, medical professional, or community leader;

- (4) if the offense is related to acts of domestic violence committed against the applicant;
- (5) if the offense was related to a person's disability.

Tenant Selection Plan Policy

This policy is in addition to the obligations to comply with applicable federal, state and local civil rights laws, including laws pertaining to reasonable accommodation and limited English proficiency (LEP),[3] **and the applicable provision of the Violence Against Women Act, Pub. Law 109-62 (January 5, 2006), as amended.**

Application Process

- Application Materials. The housing provider's written and/or electronic application materials should:
  - outline the screening criteria that the housing provider will use;
  - provide space(s) for the applicant to explain any conviction, eviction, tenancy issues or credit concerns and present evidence that he or she will be a suitable tenant;
  - outline how an applicant may request a modification of the admission process and/or a change in admission policies or practices as a reasonable accommodation;
  - be written in language that is clear and readily understandable.
- First Interview. In accordance with the housing provider policies, each applicant with the minimum eligibility requirements for housing unit shall be offered the opportunity for an interview.
- Second Interview. Before issuing a denial, the housing provider should consider offering a second interview to resolve issues and inconsistencies, gather additional information, and assist as much as possible with a determination to admit the applicant.
- Confidentiality. All information provided will be kept confidential and be used only by the housing provider, the referring agency and the funding agency for the purpose of assisting and evaluating the applicant in the admission process.
- Delays in the Process. If delays have occurred or are likely to occur in the application and screening process or the process exceeds the housing provider's normal timeline for application and screening, the housing provider must immediately inform the referring

[3]*See for e.g.*, Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), 42 U.S.C. §§ 3601, et seq.; 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d-2000d-7; Executive Order 13,166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000); Department of Housing and Urban Development Limited English Proficiency Guidance, 72 Fed. Reg. 2732 (Jan. 22, 2007); Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; 24 C.F.R. Parts 8 and 9; Title II of the Americans with Disabilities Act of 1990, as amended; California Fair Employment and Housing Act, Gov't Code §§ **12,955-12,956.2; Unruh Civil Rights Act, Civil Code § 51; California Disabled Persons Act, Civil Code § 51.4;** Dymally-Alatorre Bilingual Services Act, Gov't Code **§7290-7299.8; San Francisco Language Access Ordinance, No. 202-09 (April 14, 2009)**

agency and the funding agency, of the status of the application, the reason for the delay and the anticipated time it will take to complete the application process.

- Problems with the Referring Agency. If at any point the housing provider has difficulty reaching or getting a response from the applicant and referring agency, the housing provider must immediately contact the referring agency, if possible, and the funding agency, DPH or HSA.
- **Limited English Proficiency Policy.** Throughout the application process, the housing provider must comply with the language access requirements for applicants with limited English proficiency.

Reasonable Accommodation and Modification Policy

Reasonable Accommodation: The application process should provide information about how an applicant may make a reasonable accommodation request. At any stage in the admission process, an applicant may request a reasonable accommodation, if the applicant has a disability and as a result of the disability needs a modification of the provider's rules, policies or practices, including a change in the way that the housing provider communicates with or provides information to the applicant that would give the applicant an equal chance to be selected by the housing provider to live in the unit.

Reasonable Modification: Applicant may request a reasonable modification if he or she has a disability and as a result of the disability needs:

- a physical change to the room or housing unit that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site;
- a physical change in some other part of the housing site that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site.

Response to Request: The housing provider shall respond to a request for reasonable accommodation or modification within ten (10) business days. The response may be to grant, deny, or modify the request, or seek additional information in writing or by a meeting with the applicant. The housing provider will work with the applicant and referring agency to determine if there are ways to accommodate the applicant.

The housing provider shall grant the request if the provider determines that:

- the applicant has a disability;
- reasonable accommodation or modification is necessary because of the disability; and
- the request is reasonable (i.e., does not impose an undue financial or administrative burden or fundamentally alter the nature of the housing program.)

If the reasonable accommodation request is denied, the rejection must explain the reasons in writing. If the denial of the reasonable accommodation request results in the applicant being denied admission to the unit, the provisions of the section on Notice of Denial and Appeal Process apply.

Notice of Denial and Appeal Process

- The housing provider shall:

- promptly send a written and electronic notice (to the addresses provided) to each applicant denied admission with a written and/or electronic copy to the referring agency and the funding agency. The notice should:
    - list all the reasons for the rejection, including the particular conviction or convictions that led to the decision in cases where past criminal offenses were a reason for rejection;
    - explain how the applicant can request an in person appeal to contest the decision;
    - state that an applicant with a disability is entitled to request a reasonable accommodation to participate in the appeal;
    - inform the applicant that he or she is entitled to bring an advocate or attorney to the in person appeal;
    - provide referral information for local legal services and housing rights organizations;
    - describe the evidence that the applicant can present at the appeal;
- give applicants denied admission a date within which to file the appeal, which shall be at least ten (10) business days from the date of the notice;
- unless an extension is agreed to by the applicant and the housing provider, hold the appeal within ten (10) business days of the request for the appeal;
- confine the subject of the appeal to the reason for denial listed in the notice;
- give the applicant a chance to present documents and/or witnesses showing that he or she will be a suitable tenant;
- have an impartial supervisor or manager from the housing provider, but who is not the person who made the initial decision or a subordinate of the person who made the initial decision, conduct the appeal;
- within 5 business days of the in person appeal, provide the applicant with a written decision that states the reason for the decision and the evidence relied upon. A copy of the written decision must be sent (electronically or otherwise) to the referring agency and the funding agency.

- If the rejection is based on a criminal background check obtained from a tenant screening agency, the Fair Credit Reporting Act and the Investigative Consumer Reporting Agencies Act impose additional notice requirements.[4]

[4] Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 *et seq*. and Investigative Consumer Reporting Agencies Act (ICRAA), Cal. Civ. Code § 1786 *et seq*.

EXHIBIT J
Form of Deed of Trust

FREE RECORDING PURSUANT TO GOVERNMENT CODE §27383 AT THE REQUEST OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

WHEN RECORDED RETURN TO:
The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, One South Van Ness Avenue, 5th Floor, San Francisco, California 94103
Attn: Jane Suskin

Space above for Recorder

(Assessor's Block 8711, Lot 026)

LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING
(Mission Bay South Block 3 East)

THIS LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust") is made as of _____, by MB3E, L.P, a California limited partnership ("Trustor"), whose address is _____, to _____("Trustee"), whose address is _____, for the benefit of the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, hereafter referred to as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California ("Beneficiary"). This Deed of Trust is executed pursuant to an Amended and Restated Loan Agreement by and between Trustor and Beneficiary dated as of _____, as it may be amended from time to time (the "Agreement"), the provisions of which are incorporated herein by reference. Definitions and rules of interpretation set forth in the Agreement apply to this Deed of Trust.

1. Grant in Trust. For valuable consideration, Trustor hereby grants, transfers and assigns to Trustee, in trust, with power of sale, for the benefit of Beneficiary, all right, title and interest Trustor now has or may have in the future in the following (all or any part of the following, or any interest in all or any part of it, as the context requires, the "Property"):

1. that real property situated in the City and County of San Francisco, State of California, described in **Exhibit A** attached hereto and incorporated herein by reference (the "Land"), on which Trustor intends to construct an affordable housing project

with 200 residential units and approximately 10,000 square feet of retail space thereon and together with the Residential Space, the “Project”; and

2. all buildings, structures and other improvements now or in the future located or to be constructed on the Land (the "Improvements"); and

3. all existing and future leases, subleases, tenancies, subtenancies, licenses, occupancy agreements and concessions ("Leases") relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; and

4. all of Trustor's interest in and under that certain Ground Lease dated as of _____, by and between Beneficiary, as lessor, and Trustor, as lessee, including any options of any nature whatsoever, and any future interest of Trustor in fee title to the Land; and

5. except for personal property and removable fixtures installed by tenants or subtenants, all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which will be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; and

6. all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; and

7. all Loan funds, whether disbursed or not, and all funds now or in the future on deposit in the Replacement Reserve Account, the Operating Reserve Account and any other account required or authorized for the Project; and

8. all proceeds, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements; and

9. all books and records pertaining to any and all of the property described above, including records relating to tenants under any Leases, the qualifications of any tenants and any certificates, vouchers and other documents in any way related thereto and records relating to the application and allocation of any federal, state or local tax credits or benefits; and

10. all rents, revenues, issues, royalties, proceeds and profits, including prepaid rent and security deposits ("Rents"), from the Land and the Improvements, subject to: (i) Trustor's right to collect and retain the same as they become due and payable; and (ii) Beneficiary's rights under **Section 5(d)**; and

11. all proceeds of, interest accrued on, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

This Deed of Trust constitutes a security agreement under, and a fixture filing in accordance with, the California Uniform Commercial Code, as it may be amended from time to time. The filing of a financing statement pertaining to personal property may not be construed in any way as derogating from or impairing the lien of, or the rights or obligations of the parties under, this Deed of Trust.

2. Obligations Secured. This Deed of Trust is given for the purpose of securing the following (collectively, the "Secured Obligations"):

1. performance of all present and future obligations of Trustor set forth in the Agreement, specifically compliance with certain restrictions on the use of the Property recited in that certain Declaration of Restrictions executed by Trustor, dated as of the date of and being recorded concurrently with this Deed of Trust, as it may be amended from time to time, and the promissory note dated _____ made by Trustor to the order of Beneficiary (as it may be amended from time to time, the "Note") and performance of each agreement incorporated by reference, contained therein, or entered into in connection with the Agreement;

2. payment of the indebtedness evidenced by the Agreement and the Note in the original principal amount of TWENTY MILLION NINETY-THREE THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($20,093,600.00), according to the terms of the Agreement and the Note; and

3. payment of any additional sums Trustor may borrow or receive from Beneficiary, when evidenced by another note (or any other instrument) reciting that payment is secured by this Deed of Trust.

3. Trustor's Covenants. To protect the security of this Deed of Trust, Trustor agrees as follows:

(a) to perform the Secured Obligations in accordance with their respective terms;

(b) to keep the Land and the Improvements in good condition and repair, normal wear and tear and acts of God excepted; not to remove or demolish any Improvements without Beneficiary's prior written consent; to complete or restore promptly and in good and workmanlike manner any Improvement constructed, damaged or destroyed on the Land subject to available insurance proceeds; to pay when due all claims for labor performed and materials furnished therefor, subject to Trustor's right to contest any claim in good faith; to comply with all laws affecting the Project, subject to Trustor's right to contest any claim in good faith; not to commit or permit waste with respect to the Land or the Improvements; not to commit, suffer or permit any act upon the Land or the Improvements in violation of law, including Environmental Laws; and to do all other acts made reasonably necessary by the character or use of the Land and the Improvements;

(c) to provide, maintain and deliver to Beneficiary property and liability insurance as required under the Agreement and apply any insurance proceeds as provided below;

(d) to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees and costs incurred in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary to foreclose this Deed of Trust following an Event of Default;

(e) to pay in accordance with the Agreement, but in each case prior to delinquency: (i) all taxes and assessments affecting the Property, including assessments on appurtenant water stock; and (ii) all encumbrances, charges and liens, with interest, on the Property or any part thereof that appear to be prior or superior hereto;

(f) should Trustor fail to make any payment or to do any act as herein provided, then, without: (i) obligation to do so; (ii) notice to or demand upon Trustor; or (iii) releasing Trustor from any obligation hereof, Beneficiary or Trustee may: (A) make or do the same in any manner and to the extent as it deems necessary to protect the security hereof; (B) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (C) pay, purchase, contest or compromise any encumbrance, charge or lien that in its judgment appears to be prior or superior hereto; and (D) in exercising these powers, pay necessary expenses, employ counsel and pay reasonable attorneys' fees and costs, and Trustor consents to Beneficiary's and/or Trustee's entry upon the Land and Improvements for any purpose set forth in this Subsection, including Beneficiary's exercise of its rights under California Code of Civil Procedure Section 564(c); and

(g) to reimburse within five (5) days of demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest at an annual rate of interest equal to the lesser of: (i) ten percent (10%); or (ii) the maximum lawful rate from date of expenditure to the date of payment.

G. Insurance and Condemnation Proceeds.

- Trustor hereby assigns to Beneficiary any award of damages arising from the condemnation of all or any part of the Property for public use and any insurance proceeds arising from injury to all or any part of the Property or the Project.

- Any condemnation award or insurance proceeds must be paid to Beneficiary or, if Beneficiary has consented to subordinate the lien of this Deed of Trust to the lien of another lender for the Project, according to the provisions in the senior lender's loan documents.

- If a condemnation award or insurance proceeds are paid to Beneficiary, Beneficiary will release or authorize the release of funds to Trustor, provided that the funds will be used for the reconstruction of the Project in accordance with: (i) projections demonstrating that reconstruction is economically feasible; and (ii) Trustor's construction budget, each of which must be satisfactory to Beneficiary in its reasonable discretion. In all other cases, Beneficiary may choose in its discretion to apply funds to Trustor's obligations under the Note and the Agreement or to any senior obligations, in accordance with the respective priorities of the approved lienholders as their interests may appear of record, with the remaining funds, if any, released to Trustor.

- Trustor agrees that Beneficiary's application or release of funds pursuant to this Section will not cure or waive any default or Notice of Default (as defined below) or invalidate any act by Beneficiary performed following a default pursuant to any OCII Document unless the default has been cured by the application or release of funds.

H. Further Agreements. Trustor further acknowledges and agrees as follows:

Beneficiary does not waive its right either to require prompt payment when due of all other sums secured by this Deed of Trust or to declare Trustor in default for failure to pay timely by accepting payment of any sum secured hereby after its due date.

Trustee may reconvey any part of the Property at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note for endorsement without affecting the liability of any entity or person for payment of the indebtedness secured hereby.

Upon: (i) written request of Beneficiary stating that all obligations secured hereby have been paid or performed; (ii) Beneficiary's surrender of this Deed of Trust and the Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose; and (iii) payment of its fees, if any, Trustee shall reconvey the Property then held hereunder without covenant or warranty.

As additional security, Trustor hereby irrevocably, absolutely and unconditionally assigns to Beneficiary all Rents, whether now due, past due or to become due, subject to Beneficiary's grant to Trustor of a license to collect and retain Rents as they become due and payable so long as Trustor has not defaulted in performance of the Secured Obligations.

Any voluntary or involuntary conveyance, sale, encumbrance, pledge or other transfer of all or any interest in the Property or in Trustor, including a security interest, in violation of the Agreement will constitute an Event of Default (as defined below) giving Beneficiary the right to exercise its remedies at law or in equity.

For the purposes of this Deed of Trust, Beneficiary from time to time may substitute a successor or successors to Trustee named herein or acting hereunder by instrument in writing executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of San Francisco County, which instrument shall be conclusive proof of proper substitution of a successor trustee or trustees. Without conveyance from Trustee, any successor or substitute trustee will succeed to all title, estate, rights, powers and duties of Trustee. The instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the recording information for this Deed of Trust and the name and address of the new Trustee.

This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, provided that this subsection does not constitute Beneficiary's consent to any transfer in violation of this Deed of Trust. The term Beneficiary shall mean the holder of the Note, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

Trustee accepts this Trust when this duly executed and acknowledged Deed of Trust is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

I. Beneficiary's Rights Following Default. Upon any default by Trustor in performance of the Secured Obligations following expiration of any applicable notice and cure periods ("Event of Default"):

K. Trustor's license to collect and retain Rents will terminate automatically.

L. Trustor consents to Beneficiary's entry upon and taking possession of the Property or any part thereof, at any time after the occurrence of an Event of Default without notice, either in person, by agent or by a receiver to be appointed by a court without regard to the adequacy of any security for the indebtedness hereby secured to sue for or otherwise collect and apply Rents, less costs and expenses of operation and collection, including those of the Property, in its own name or in the name of Trustor. Beneficiary's collection and application of Rents shall not cure or waive any Event of Default or Notice of Default or invalidate any act done pursuant to any notice.

M. Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property ("Notice of Default"), and:

14. Trustee shall cause the Notice of Default to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby.

15. After the lapse of time then required by law following the recordation of a Notice of Default, and notice of sale ("Notice of Sale") having been given as then required by law, Trustee without demand on Trustor may sell the Property at the time and place fixed in the Notice of Sale either as a whole or in separate parcels in any order at public auction to the highest bidder for cash in lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to any purchaser a trustee's deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the trustee's deed of any matters of facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale.

16. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: (A) all sums expended under the terms of this Deed of Trust not then repaid, with accrued interest at the highest rate allowed by law in effect at the date hereof; (B) all other sums then secured hereby; and (C) the remainder, if any, to the person or persons legally entitled thereto.

J. Notice of Default to Trustor. The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at its address set

forth above or any succeeding address given by notice in accordance with the Agreement. A copy of all notices delivered to Trustor hereunder shall be delivered to Trustor's limited partner at the address provided in the Agreement.

"TRUSTOR:"

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company, its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company, its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

[ALL SIGNATURES MUST BE NOTARIZED.]

EXHIBIT A
(Legal Description of the Property)

EXHIBIT K
Form of Declaration of Restrictions

FREE RECORDING PURSUANT TO GOVERNMENT CODE §27383 AT THE REQUEST OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

WHEN RECORDED RETURN TO:
The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, One South Van Ness Avenue, 5th Floor, San Francisco, California 94103
Attn: Jane Suskin

Space above for Recorder

(Assessor's Block 8711, Lot 026)

DECLARATION OF RESTRICTIONS

Mission Bay South Block 3 East

THIS DECLARATION OF RESTRICTIONS ("Declaration") is made as of _____, _____, by MB3E, L.P., a California limited partnership ("Borrower"), in favor of the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, hereafter referred to as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California ("OCII", including any successors or assigns)

RECITALS

A. OCII is making a loan (the "Loan") to Borrower to finance costs associated with the development of the real property described in **Exhibit A** attached hereto and incorporated herein by reference (the land and the leasehold interest, the "Property") as low-income housing (the "Project"). The Loan is evidenced by, among other documents, an Amended and Restated Loan Agreement between OCII and Borrower dated as of _____, as it may be amended from time to time (the "Agreement"). The Agreement is incorporated by reference in this Declaration as though fully set forth in this Declaration. Definitions and rules of interpretation set forth in the Agreement apply to this Declaration.

B. Pursuant to the Agreement, Borrower has agreed to comply with certain affordability and other use and occupancy restrictions contained herein commencing on the date on which a certificate of occupancy is issued for the Project, and continuing for fifty-five (55) years (the "Compliance Term"), even if the Loan is repaid or otherwise satisfied or the Deed of Trust is reconveyed.

AGREEMENT

Now, therefore, in consideration of the City's providing the Loan in accordance with the City Documents, Borrower agrees as follows:

A. Borrower must comply with the following regulatory obligations contained in this Section 1 (the "Regulatory Obligations") through the expiration of the Compliance Term, regardless of any reconveyance of the Deed of Trust. Specifically, Borrower agrees as follows, subject to additional terms as set forth in the Agreement:

1. With the exception of the manager's units, Units in the Project will at all times be rented only to tenants who qualify as Qualified Tenants at initial occupancy, specifically:

Unit Size	No. of Units	Maximum Income Level
Studio	12	60% as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area.
1 bdrm	55	60% as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area.
2 bdrm	30	60% as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area.
3 bdrm	21	60% as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area.
2 bdrm	1	Manager Unit
Total	119	

2. The total amount for rent and utilities charged to a Qualified Tenant may not exceed:

i. thirty percent (30%) of the applicable Median Income as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area asset forth above, adjusted for household size; or

ii. the fair market rent established by the San Francisco Housing Authority for Qualified Tenants holding Section 8 vouchers or certificates.

B. During the Compliance Term OCII may rely on the Deed of Trust and/or this Declaration, in OCII discretion, to enforce any of OCII's, rights under the OCII Documents.

C. This Declaration and the Regulatory Obligations constitute covenants running with the land, including the leasehold interest and bind successors and assigns of

Borrower and any non-borrower owner and lessee of the Property. In the event that Borrower fails to comply with the Regulatory Obligations to OCII's satisfaction, in its sole discretion, within thirty (30) days of Borrower's receipt of written notice from OCII to so comply, OCII at its option may exercise any rights available at equity or in law, including, without limitation, institute an action for specific performance. Borrower shall pay OCII's costs in connection with OCII's enforcement of the terms of this Declaration, including, without limitation, OCII's reasonable attorneys' fees and costs.

(*document continues on following page*)

Borrower has executed this Declaration as of the date first written above.

BORROWER:

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

EXHIBIT A
(Legal Description of the Property)

EXHIBIT L

Schedule of Performance

No.	1. Performance Milestone	Estimated or Actual Date	Contractual Deadline
1.	Acquisition/Predev Financing Commitment	Completed	
2.	Site Acquisition	OCII responsibility	OCII responsibility
3.	Development Team Selection		
a.	Architect	Completed	
b.	General Contractor	Completed	
c.	Owner's Representative	Completed	
d.	Property Manager	Completed	
e.	Service Provider	Completed	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	Completed	
b.	Submittal of Design Development & Cost Estimate	Completed	
c.	Submittal of 50% CD Set & Cost Estimate	Completed	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	Completed	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	Completed	
b.	NEPA Environ Review Submission	Completed	
c.	CUP/PUD/Variances Submission	N/A	
6.	Permits		
a.	Building / Site Permit Application Submitted	Completed	
b.	Addendum #1 Submitted	Completed	
c.	Addendum #2 Submitted	Completed	
7.	Request for Bids Issued	Completed	
8.	Service Plan Submission		
a.	Preliminary	9/6/17	11/6/17
b.	Interim	5/7/18	7/6/18
c.	Update	1/7/19	3/8/19
9.	Additional City Financing		

a.	Predevelopment Financing Application #2	N/A	
b.	Gap Financing Application	Completed	
10.	Other Financing		
a.	AHSC Application	Completed	
b.	Construction Financing RFP	Completed	
c.	AHP Application	Completed	
d.	CDLAC Application	Completed	
e.	TCAC Application	Completed	
f.	HUD VASH Voucher Application	Completed	
g.	VHHP Application	Completed	
11.	Closing		
a.	Construction Financing Closing	12/15/17	1/15/18
b.	Permanent Financing Conversion	11/1/20	3/1/22
12.	Construction		
a.	Notice to Proceed	12/15/17	1/16/18
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion (22 mos. following construction start)	11/15/19	3/1/21
13.	Marketing/Rent-up		
a.	Early Outreach Plan	1/15/18	1/15/18
b.	Marketing and Tenant Selection Plan	9/15/18	10/15/18
c.	Commence Marketing	5/15/19	8/15/19
d.	95% Occupancy	3/15/20	4/1/22
14.	Cost Certification/8609	3/1/21	6/1/22
15.	Close Out MOH/OCII Loan(s)	11/1/20	6/1/22

EXHIBIT M

OCII MONTHLY PROJECT UPDATE FORM

Please complete this Monthly Project Update and email the Word document to the Project Manager, with a copy to Jeff White (jeffrey.white@sfgov.org), by the first of each month. Please focus on the relevant sections of project progress, and anticipate approvals that will be needed over the next 2 – 3 months from other departments. Use as much space as you need.

THE PURPOSE OF THESE UPDATES IS TO TRACK PROJECT PROGRESS

1. *during pre-construction*
2. *on non-construction issues during construction, and*
3. *after regular monthly construction meetings have ended*

Project Summary Information

Project:	
Sponsor:	
# Units:	
Target Population:	

Monthly Update

Month Covered:	Date of Report:
Completed by:	
Estimated Construction Start Date (if changed from previous update, please explain):	
Estimated Total Development Cost (if changed from previous update, please explain):	
Projected OCII gap commitment (excluding MOH funding committed to date): Expected date when OCII gap funding needed: Month_____ Year_____	
Procurement and bidding (architect, consultants and contractors)	
Entitlements, permits and utilities (OCII, Planning Dept., DBI, SFFD, DPW, SFWD, MOD, PG&E and DRE)	
Major issues OCII needs to be aware of, including anything that may require OCII's involvement	

Any changes in the scope, cost, schedule or financing plan? (Attach updated budget and/or schedule if any have occurred since prior month.)
Significant milestones reached during the past month, and any planned to be reached during the coming month. Also include any projected milestones not reached during the last month and the reasons why. (Depending on the phase of the project, please cover efforts to obtain additional financing, relocation planning, service planning, marketing and rent-up, etc., as applicable for the project.)
FOR OCII STAFF USE ONLY
Major issues, delays, etc.
Items for discussion with Director

EXHIBIT N

Developer Fee Schedule

Developer Fee Cash Out Disbursement Schedule		
Payment Milestone	**% of Project Mgmt. Fee**	**Amount**
At ENA execution/closing of preconstruction financing	15%	$180,000
During Predevelopment (with no more than 35% of the total PM fee being disbursed prior to construction closing)	35%	$420,000
Construction Closing	20%	$240,000
Construction 50% Complete	10%	$120,000
During or at End of Construction	10%	$120,000
At Project Close Out	10%	$120,000
Total Project Management Fee	**100%**	**$1,200,000**
At Risk		$200,000
Total Cash Developer Fee		**$1,400,000**
Deferred Developer Fee		**$2,100,000**
TOTAL DEVELOPER FEE		**$3,500,000**

EXHIBIT O

Assignment of Work Product

FOR VALUE RECEIVED, MB3E, L.P., a California limited partnership ("Borrower") does hereby sell, assign, pledge, transfer and set over to 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, ("Agency") all of its rights, title and interest in and to that certain architect's agreement ("Agreement") entered into by and between Borrower and Fougeron Architecture and any other contracts entered into between Borrower and any licensed design profession or engineer ("Architect" or "Engineer"), and those certain Plans and Specifications and all amendments, modifications, supplements, general conditions and addenda thereto ("Plans") prepared by the Architects and Engineers for the account of Borrower in connection with the development of 119 units of rental housing at 1150 3rd Street (also known as Mission Bay South Block 3 East Affordable Housing), San Francisco, California ("Project"). The Agreement and the Plans are assigned as collateral security for certain indebtedness of Borrower to Agency evidenced by that certain Promissory Note of even date herewith in the principal amount of $_____.

Borrower and Architect or Engineer, by executing the Consent to this assignment, agree that Agency does not assume any of Borrower's obligations or duties concerning the Agreement and the Plans, including, but not limited to, the obligation to pay for the preparation of the Agreement and the Plans, until and unless Agency shall exercise its right hereunder.

Borrower hereby irrevocably constitutes and appoints Agency as its attorney-in-fact to demand, receive, and enforce Borrower's rights with respect to the Agreement and the Plans, to give appropriate receipts, releases and satisfactions for and on behalf of Borrower and to do any and all acts in the name of Borrower or in the name of Agency with the same force and effect as Borrower could do if this Assignment had not been made.

Borrower hereby represents and warrants to Agency that no previous assignment of its interest in the Agreement and the Plans has been made, and Borrower agrees not to assign, sell, pledge, transfer, mortgage or otherwise encumber its interest in the Agreement and the Plans so long as this Assignment is in effect. This Assignment shall automatically terminate without further action required upon Loan Closing.

This Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, or successors in interest of the Borrower and Agency.

(*document continues on following page*)

IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed on _____ 2017.

BORROWER:

MB3E, L.P., a California limited partnership

By: CCDC-MB3E LLC, a California limited liability company,
its managing general partner

By: Chinatown Community Development Center, Inc., a California nonprofit public benefit corporation, its sole member/manger

By: _____
Norman Fong, Executive Director

By: Swords-MB3E LLC, a California limited liability company,
its administrative general partner

By: Swords to Plowshares: Veterans Rights Organization, a California nonprofit public benefit corporation, its sole member/manger

By: _____
Michael Blecker, Executive Director

EXHIBIT P

Consent to Assignment

In accordance with the terms of that certain Assignment of Architects and Engineers Agreement Plans and Specifications dated on or about the date hereof, MB3E, L.P., a California limited partnership ("Borrower") assigned to the Successor Agency to 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, ("Agency") all of its rights, title and interest in and to that certain architect's agreement ("Agreement") entered into by and between Borrower and HKS, Inc. ("Architect/Engineer") and those certain Plans and Specifications and all amendments, modifications, supplements, general conditions and addenda thereto ("Plans") prepared by the Architect/Engineer and others for the account of Borrower in connection with the development of 119 units of rental housing at Mission Bay South Block 3 East, San Francisco, California ("Project"). The Agreement and the Plans are assigned as collateral security for certain indebtedness of Borrower to Agency evidenced by that certain Promissory Note of even date herewith in the principal amount of $_____.

The undersigned has prepared the Plans, hereby consents to the above Assignment and represents that he/she has received payment in full for services rendered for the Plans and accordingly hereby waives his/her lien rights, if any, with respect to the Plans. The undersigned also agrees that in the event of a breach by Borrower of any of the terms and conditions of the Agreement or any other agreement entered into with the undersigned in connection with the Plans, that so long as Borrower's interest in the Plans is assigned to Agency, it will give written notice to Agency of such breach. Agency shall have sixty (60) days from the receipt of such notice of default to remedy or cure said default; however, nothing herein shall require the Agency to cure said default, but only gives it the option to do so.

The undersigned also agrees that in the event of default by Borrower under any of the documents or instruments entered into in connection with said Note, the undersigned, at Agency's request, shall continue performance under the Agreement in accordance with the terms hereof, provided that the undersigned shall be reimbursed in accordance with the Agreement for all services rendered on Agency's behalf.

Dated: _____, 2017

ARCHITECT:

_____

By: _____
Name: _____
Title: _____

(*signatures continue on following page*)

ENGINEER:

_____

By: _____
Name: _____
Title: _____

EXHIBIT Q-1
Site Plan

EXHIBIT Q-2

Project Site Description

EXHIBIT R

Final Financial Plan Confirmation Letter

To be attached on or before the Loan Closing Date

EXHIBIT S

Operational Rules for San Francisco Housing Lotteries and Rental Lease-Up Activities

[Review and confirm]

In order to implement consistent and transparent marketing practices for all affordable housing under the purview of the Office of Community Investment and Infrastructure (including the Mayor's Office of Housing and Community Development as agent for implementation, "OCII"), the following policies and procedures have been adopted. The Borrower hereby acknowledges and agrees to follow these procedures as outlined below.

If ever there is a conflict between a recorded development agreement and this document, the executed development agreement will prevail. Likewise, when state and federal funding sources conflict with anything outlined in these guidelines, they too shall prevail.

HOUSING PREFERENCE PROGRAMS

The Borrower hereby agrees that first preference in occupying units designated for Low Income Households (Low Income Units) will be given to persons who have been issued a Residential Certificate of Preference (COP) and who meet all qualifications for the unit.

The Borrower further agrees that second preference in occupying units designated for Low Income Households will be given to persons who have been issued an Ellis Act Housing Preference Program (EAHP) Certificate and who meet all qualifications for the unit; provided however, if the Project will include funds from the California Department of Housing and Community Development, this EAHP Priority (and the corresponding requirements set forth below) will not apply for so long as the Project is subject to the requirements associated with such financing.

For new residential developments going through the initial lease-up process, the EAHP priority shall apply to twenty percent (20%) of the Low Income Units. Thus, if the number of units available exceeds the number of qualified applicants who hold a COP or other preference as dictated by specific loan documents or marketing plan, the next priority will go to EAHP certificate holders for up to 20% of the total Low Income Units. The EAHP priority does not apply at initial lease-up or sale to buildings having four (4) or fewer Low Income Housing Units. However, the EAHP priority does apply to these same units upon re-rental.

Low Income Units with other occupancy priorities required by law, contract, or program rules may apply the COP and EAHP after other preferences, with COP holders being granted priority above EAHP certificate holders. Preferences required by a former Redevelopment Project Area Plan are not pre-empted by the COP Program or the Ellis Act Housing Preference Program. Preferences required by the LOSP, Direct Access to Housing Program, Housing First Program, or other government programs are not pre-empted by the Ellis Act Housing Preference Program.

Marketing Plan

The Borrower agrees to provide OCII with a complete and updated marketing plan which includes resident selection criteria at least twelve months prior to construction

completion. The Marketing Plan shall be submitted on a template form as provided by OCII. This information shall not be changed without providing OCII with fourteen (14) calendar days' written notice.

New rental units shall be marketed for at least a 28-day period, including a listing on the OCII and MOHCD website and on the email housing alert system. Applicants shall submit an abridged lottery application form only and supply full income and other documentation if selected in the lottery process to proceed with a rental.

Outreach to Certificate Holders
OCII shall furnish the following:

- Written and/or printed notices to COP certificate holders advising them that units will soon be available.
- Names and addresses of COP certificate holders. OCII shall address printed notices created by Borrower using an OCII provided template. Borrower is responsible for the full cost of the mailing to COP certificate holders.
- Assistance to qualified tenants in filing COP and EAHP applications or referral to an appropriate housing counseling organization

The Borrower agrees to:

- Written and mailed notices to COP certificate holders advising them that units are available using a template provided by OCII. COP mailings are at the cost of the Borrower.
- During the application period, conduct at least one general informational meeting for all persons interested in applying for occupancy in the development, at which the Borrower shall review application procedures.
- Specifically for COP and EAHP certificate holders, make support services staff available to provide assistance throughout the application process, as it may be needed, with the goal of maximizing COP/EAHP participation to the extent possible. The Borrower shall ensure that COP/EAHP holders are aware that such assistance is available.

Application
The Borrower agrees to use a pre-lottery application template provided by OCII. After the lottery, the Borrower may require applicant to complete an additional application which is included in the Marketing Plan and pre-approved by OCII.

Pre-Lottery Application Status Reports
The Borrower agrees to supply OCII with the names, addresses, and housing preference certificate numbers (when available) of all applicants including whether or not they indicate they are eligible for COP or EAHP priority status. OCII will provide a template to be used to provide this status report, at a minimum, every seven (7) calendar days from

the initial date applications are accepted. OCII will, in turn, verify within seven (7) calendar days which such applicants are qualified as COP or EAHP certificate holders.

After the application period has closed, and at least 5 business days prior to lottery proceedings, a non-prioritized list of all interested applicants will be provided to OCII on the template provided. The list shall include applicant names, addresses, and whether the applicant holds a COP or an EAHP certificate. If OCII does not receive this final applicant list within 5 business days of the lottery, it will be cause to postpone the lottery proceedings until the complete list is received.

Lottery

Borrowers shall ensure that all COP holders receive first priority for occupancy and EAHP certificate holders receive second priority for occupancy in 20% of units, except in cases where approved and documented occupancy priorities preempt the COP and EAHP preferences. EAHP certificate holders who are not offered a unit in the 20% set aside shall have equal chance at any remaining units as other qualified applicants.

The Borrower shall hold a public lottery to select renters. Applicants who submit a complete application by the application deadline receive a numbered lottery ticket whose twin ticket is entered into the lottery. Upon pre-approval from OCII, lotteries may also be conducted using names of applicants.

When a Borrower chooses to receive applications by mail, applicants must be notified that applications must be post marked prior to the application deadline. Borrowers receiving applications via mail must allow 5 business days from the application deadline before scheduling the lottery to allow for mail delivery. As stated above, the final application list is due to OCII at least 5 business days prior to the lottery, therefore Borrowers who elect to receive applications via mail must allow 10 business days from the application deadline to the lottery date.

Lotteries are held in a public, accessible location. Applicants are invited to attend lotteries, but attendance is not mandatory.

To conduct the lottery, OCII and/or the Borrower shall pull application tickets from a vessel and order and record the lottery results in rank order by application ticket number. When using names, Borrower shall pre-enter all applicant names onto individual name cards. All EAHP certificate holders should have two name cards. Names shall be pulled from a vessel in rank order. There should be separate lotteries held for each preference. First, COP holders will be drawn and ranked, followed by EAHP applicants, followed by applicants from the general population. The EAHP certificate holder's second card will be included in the general lottery. Electronic lotteries are not allowed.

The Borrower should use a large computer or projector screen or hand printed flip chart sheets to display all numbers/names drawn and the sequenced lottery number assigned for each preference lottery and the general lottery. This can be done by listing all applicants in separate columns under each preference category.

The Borrower should record each name card/number ticket assigned a lottery number onto the applicant list template provided by OCII. A computer master list as well as a hand printed paper list for double checking. Results will remain projected on a screen or

posted flip chart paper throughout the lottery drawing process for the public to view and record results.

The Borrower shall record the order of lottery numbers/names drawn and produce a final ranked lottery list for each preference and for the general lottery. Once the lottery preferences have been confirmed and applied, the Borrower must notify applicants of their position in the lottery by posting the results on Borrower's website or another public site and/or by mail.

Post-Lottery Lease up Instructions

The Borrower agrees to contact each applicant in lottery rank order to set up an interview where the Borrower will receive supporting documents from the applicant (i.e income documentation, tax returns, and bank statements).

The Borrower agrees to income qualify each household member based on the supporting documents submitted by the applicant. Income qualification cannot be based solely on what's reported by the applicant on the application.

In accordance with San Francisco Administrative Code Section 12H, and State Borrower shall not use citizen status as a qualification for selection. Borrower shall not ask for social security information prior determining the household's income eligibility.

The Borrower shall comply with San Francisco Police Code Article 49, Sections 4901-4920 (the "Fair Chance Ordinance") and the specific screening requirements set forth in **Exhibit I** (Tenant Screening Criteria Policy).

The Borrower agrees to offer units in ranked order to applicants who meet all qualifications. If an applicant is still in the review process and the applicant behind them in lottery rank order has been approved, the first applicant must be offered a specific unit that is reserved for that applicant until all qualifications have been reviewed and approved.

In the case of an applicant being denied for housing and the applicant appeals the denial, the Borrower agrees to hold a comparable unit until the final decision has been made regarding the appeal. Should Borrower determine that an applicant's appeal to a denial will be denied, Borrower will inform OCII/MOHCD of this decision with documentation used to sustain the denial. OCII/MOHCD will confirm the denial is in accordance with Borrower's eligibility requirements, such confirmation will take no more than 7 business days. Borrower agrees to be in compliance with all Fair Chance Ordinance appeal process requirements.

If ineligibility is determined, the applicant will be notified in writing within one week after such determination is made, with a copy to OCII. These applicants will also appear on the status report.

Post-Lottery Status Report
Every seven (7) business days following any lottery the Borrower shall supply OCII with a lease-up status report on an OCII provided template. OCII has the right to audit the Borrowers lease up procedure and applicant files within 24 hour notice during the lease up period.

Response Deadline
Applicants who have been accepted and notified in writing by the Borrower shall have at least ten (10) calendar days thereafter to enter into a lease agreement. If the applicant fails to affirmatively respond, the application may be closed, making that unit available to the next eligible tenant. Written notice shall be provided to applicants whose applications are closed after 10 days due to a lack of response. Rejection of the unit by a COP or EAHP certificate holder and closed applications must be shown on the status report to OCII.

Final Documentation
Within fourteen (14) calendar days after execution of a lease, the Borrower shall supply OCII with a copy of the following for all COP and EAHP tenants:

- signed copy of lease
- copy of complete application
- a demographic report on all COP and EAHP applicants

Retention Policy
For OCII auditing purposes, Borrowers are required to keep all supporting documents for each applicant that has been interviewed for at least one year after the interview.

Re-rental of Low Income Units
MOHCD has the responsibility for monitoring and compliance of all units upon initial lease up and sale. Upon re-rental of any Low Income Unit or when re-opening the project waitlist to new applicants, the Borrower shall notify MOHCD in advance of any vacancy or waitlist opportunity. In no event shall MOHCD be notified fewer than thirty (30) days before the date of re-occupancy for a vacant unit. In no event shall MOHCD be notified fewer than thirty (30) days before a closed waitlist is re-opened for new applications. Violation of the thirty (30) day notification requirement may delay re-occupancy.

Waitlist applications shall be entered into a lottery as described above. All lottery procedures listed in this document apply to wait list openings. Appeals, response deadline, application forms, and final documentation requirements listed above shall apply to all re-rentals.

Borrowers filling unit vacancies off a waitlist must accept applications from approved COP and EAHP certificate holders at any time, regardless of whether the waitlist is closed to other applicants. If a COP or EAHP certificate holder is found eligible for a Low Income Unit in the building, they shall be placed at the top of the waitlist.

No more than seven (7) calendar days following the date that any new applications are accepted for a waitlist, the Borrower shall supply MOHCD with a status report listing names, addresses and certificate numbers (when available) of COP and EAHP certificate holders indicating the status of each application as of that date and the reason for any rejections.

MOHCD will, in turn, verify within seven (7) calendar days which such applicants are qualified as COP or EAHP certificate holders.

On an annual basis and each time a new waitlist lottery is conducted, MOHCD shall be provided with a complete list of all applicant names, lottery rank on the waitlist, and whether they hold a COP or EAHP certificate upon finalization of the waitlist.

EXHIBIT T-1

Form of Early Outreach Plan for Initial Lease Up or Sale of Units (2016 edition)

Projects Approved by the Office of Community Investment and Infrastructure (OCII)

City and County of San Francisco
Mayor's Office of Housing and Community Development (MOHCD)

Working as OCII's agent

This plan is subject to OCII and/or its agent's (MOHCD's) review within 10 business days from the date it is received and complete. **Please set all dates in this plan so that no date commences sooner than 30 working days before the date of your plan submission.**

Please complete and return this form in computer "Microsoft Word" document format so that our office may track changes directly onto the document. The approval process typically involves a back-and-forth process between OCII and/or its agent, and the developer's representative. Please do not submit incomplete plans. This plan may be updated from time to time at the discretion of OCII and/or its agent. Thank you.

Special Note: Projects initially approved by OCII will be transferred to MOHCD for long-term marketing and asset management after project completion.

I. General Information *(Suggestion: Cut and paste sections I - VIII from this form into your marketing plan. This is the exact information required to be included.)*

I/We agree that ("Developer's Name") goal is to ensure that all applicants are screened using consistently applied, fair criteria, to provide a desirable, well-maintained and affordable place to live for an economically, racially, and ethnically integrated resident population, while complying with the provisions of any federal, state, or local law prohibiting discrimination in housing on the basis of race, religion, sex, color, family status, disability status, national origin, marital status, ancestry, gender identity or sexual orientation, source of income, or HIV/AIDS status.

In order to inform the public, owners, and prospective tenants/buyers about federal fair housing laws and affirmative fair marketing procedures per the (insert relevant contractual document with OCII), ("Developer's Name") will include the Equal Housing Opportunity logotype and/or slogan, and a logotype indicating accessibility to the disabled, in all press releases, solicitations, and program information materials.

Today's Date	
Proposed Outreach Launch Date (Must be no sooner than 30 days from the date of first submission)	
Name of Building	
Property Address (Street address used for marketing and mailing to new renters/buyers)	
Property Address as Stated in Planning Approval	
Planning Motion Number	
Notice of Special Restrictions Document #, Disposition and Development or Owner Participation Agreement # or Loan Agreement #	
Name of City and Co. of SF Planner	

The following developer contact information for is for internal use only.

Name of Developer	
Developer Address	
Developer Phone	
Developer Email	

Name of Marketing Company	
Marketing Agent	
Marketing Agent Address	
Marketing Agent Phone	
Marketing Agent Email	

Date of Building Permit Issuance	
Expected Issuance Date of Temporary Certificate of Occupancy	
Expected Issuance Date of Final Certificate of Occupancy	
Date on Which You Expect Affordable Units to Begin Occupancy	
Date on Which You Expect All Affordable Units to Complete Occupancy	

The section below applies to rental projects only.

List all Sources of Government Financing for the Project (e.g. CDLAC, TCAC, HUD Loan, Infill Grant, etc.)	
If there is a source of government	

financing, how long and at what % Area Median Income must your units be restricted **as rental units** under this financing?	
Are your units condo mapped (i.e. subdivided) through the Department of Real Estate?	
Do you intend to convert to ownership units in the future? Please explain.	

II. Overall Building Composition

Total # Units in Building (including affordable)	
Number of Residential Floors in the Building	

III. Market Rate Units (if applicable)

Unit Type	**Total #**
SRO	
Studio	
Jr. 1 Bedroom	
1 Bedroom	
1+ Bedroom	
2 Bedroom	
2+ Bedroom	
3 Bedroom	
3+ Bedroom	
4 Bedroom	

Other	

IV. Affordable Units

Total # affordable (only) Units in Building	

AFFORDABLE UNITS BY BEDROOM SIZE

Unit Type	Total #	Minimum Household Occupancy Size	*Maximum Household Occupancy Size
SRO			
Studio			
Jr. 1 Bedroom			
1 Bedroom			
1+ Bedroom			
2 Bedroom			
2+ Bedroom			
3 Bedroom			
3+ Bedroom			
4 Bedroom			
Other			

*Please not that children under 6 years do not count toward household size.

DETAILED DESCRIPTION OF AFFORDABLE UNITS BY BEDROOM SIZE

Refer to Area Median Income Levels Set by MOHCD for Table Below.

Unit #	Bedroom Count	Bath Count	Square Feet	Unit Accessible/ Adaptable (including Visually or Hearing Impaired)	% Area Median Income Limit	For rent units: Min. Monthly Household Income Required (ex: 2 or 2.5 times rent)	For sale units: Min. Down payment Required (BMR program requires only 5%)

V. Renter/Buyer Outreach

I/We understand that it is our responsibility to read and understand the rules of the regulatory agreement(s) for this development as well as the marketing and outreach policies set forth by OCII.

At least 18 months prior to initiation of the affirmative marketing obligations or other public advertising and marketing of the Affordable Housing Units (as the term is defined in the relevant development agreement(s)), Developer shall provide occupancy priority holders (based on a list developed by Developer and OCII and/or its agent) with advance notice (the "Advance Notice") that affordable and/or market rate housing opportunities in the Project will become available (the "Advance Notice Period"). This Advance Notice will include a description of the housing, income qualifications for tenancy or ownership and the name of Developer representative who can answer questions and provide additional information about the qualification process.

The outreach materials should include the following information as applicable:

1) <u>Occupancy Preferences</u> (Verify with OCII and/or its agent)

Preference will be given to:

Preference	Applicant Category
1	**Persons Displaced by Project Activity**
2	**Certificate of Preference Holders:** **a. Western Addition** **b. Hunters Point**
3	*** Ellis Act Housing Preference (EAHP) Holders or Displaced Tenant Housing Preference**
4	**San Francisco Residents or Workers**
5	**All Others**

* In 2016, the City and County of San Francisco adopted the Displaced Tenant Housing Preference (DTHP) program which both expanded and supplanted the Ellis Act Housing Preference. In 2017, the OCII Commission will consider the DTHP for application to the projects it oversees. Should the OCII Commission adopt the DTHP, that program will supplant the EAHP and any and all references to EAHP in project-related documents will be superseded to denote DTHP as the applicable preference.

2) Area Median Income Levels (Verify with OCII/MOHCD)

[PLEASE INSERT THE INCOME LIMIT TABLE YOU WILL USE AND INSERT CURRENT INCOME LIMITS INTO THE TABLE BELOW]

_____% of Maximum Income by Household Size derived from the Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco 201_____

A one person household can make no more than $_____

A two person household can make no more than $_____

A three person household can make no more than $_____

A four person household can make no more than $_____

A five person household can make no more than $_____

A six person household can make no more than $_____

A seven person household can make no more than $_____

(Please visit www.sfmohcd.org for larger households.)

3) Description of the Project

A description of the total number of Affordable Units in the Project;

A description of the building amenities;

List of organizations and/or workshop dates to assist prospective applicants;

Anticipated occupancy date

COP Postcard Template

Coming Soon!

Affordable Homes for Rent or Sale in San Francisco

Exterior Photo	Interior Photo

2 two-bedroom + 3 three-bedroom rental or ownership units available at Lakeside Village, 1125 Laurel Court, San Francisco, CA 94124

- New Units with Modern Design + Amenities coming Summer, Spring, Fall, Winter YEAR
- (5) Affordable units available to households at XX% of median income
- Renter or Buyer households must earn no more than the income levels listed below:

Side Two:

All applicants are encouraged to apply. Lottery preference will be given to Certificate of Preference and Ellis Act Housing Preference holders* and households that live or work in San Francisco.

**Certificate of Preference holders are primarily households displaced in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action. Ellis Act Housing Preference holders are long term San Francisco tenants who were evicted because of the Ellis Act. Contact 415-701-5613 for more information.*



INSERT YOUR ACCESS TO HOUSING PROVIDER INFORMATION HERE (NAME, ADDRESS, AND PHONE NUMBER)

PLEASE INCLUDE UPCOMING DATES OF THEIR RENTAL COUNSELING WORKSHOPS & A LINK TO THEIR WEBSITE

Please visit www.yourwebsite.com for a list of upcoming rental counseling workshops. You can also contact Smith Rentals at [phone and email contact info] for more information on the units.

Units are monitored through the San Francisco Mayor's Office of Housing and Community Development as agent to OCII and are subject to monitoring and other restrictions. Visit www.sfmohcd.org for program information.

VVI. Marketing Strategy

Beginning in the early outreach period and through the lease up or sale of BMR units the Developer is required to work with a qualified organization and/or consultant to assist with counseling:

The scope of work should include the services below:

Rental Scope of Work:

To provide comprehensive outreach and marketing services integrating with education, individualized support, group workshops, and peer-support counseling to ensure candidates have the opportunity to apply to and secure housing.

List of services include:

- Outreach and affirmative marketing with an emphasis on Certificate of Preference holders
- Housing placement
- Budgeting and Asset Building

- Credit counseling which should address any credit issues
- Housing education
- One on one follow-ups
- Tenant counseling
- Financial education including credit building techniques
- Rental application assistance and preparation
- Eviction prevention
- Housing workshops
- Worships for application process, income eligibility, security deposit requirements, credit checks, etc.
- Housing rights
- Fair housing rights
- Landlord tenant relations and issues

Please provide any additional scope or recommendations that will help find and prepare prospective residents.

Qualified Consultant Organizations
SF LGBT Community Center (415) 865-5555
Veteran's Equity Center (415) 255-2347
San Francisco Housing Development Corporation (415) 822-1022
Mission Economic Development Agency (415) 282-3334
Consumer Credit Counseling of San Francisco (800) 777-7526
Asian, Inc. (415) 928-5910

Ownership Scope of Work:

To provide comprehensive outreach and marketing services integrating with education, individualized support, group workshops, and peer-support counseling to ensure candidates have the opportunity to apply and secure housing.

List of services include:

- Outreach and affirmative marketing with an emphasis on Certificate of Preference holders
- Individual pre-purchase counseling housing workshops
- One –on one follow-ups
- Budgeting and asset building
- Credit counseling which should address any credit issues
- Financial education including credit building techniques
- Homebuyer application assistance and preparation

- Worships for application process, income eligibility, down payment requirements, credit checks, etc.
- Housing rights
- Fair housing rights

Please provide any additional scope or recommendations that will help find and prepare prospective residents.

www.homeownershipsf.org or (415) 202-5464

Outreach Materials (i.e. post cards)

I/We understand that our project must provide a post card **as a part of this submission** for the AFFORDABLE units available that includes the following information. (Please see sample template at the end of this document for a template.)

-
- Certificate of Preference and Ellis Act Housing Preference indication (if applicable)
- Maximum and minimum qualifying incomes
- Rental or home ownership affordability levels
- Rent levels
- Description of units
- Exterior and interior photo of the development
- Information on information sessions
- Information on how to obtain an application
- Fair Housing logo
- Equal Opportunity logo
- Your website

Outreach to Certificate of Preference Holders

I/We understand that we are responsible for marketing our Affordable Rental or Homeownership units to Certificate of Preference holders. Certificate of Preference holders are primarily households displaced in Redevelopment Project Areas during the 1960s and 1970s, but may also include other persons displaced by Agency action. For more information, applicants may contact 415-701-5613.

I/We understand that I/we shall provide post cards for the mailing of an affordable housing announcement to all Certificate of Preference holders. We are responsible for printing the post cards using the information provided by OCII or its agent. OCII and/or its agent shall coordinate the mailing and invoice the developer for the full cost of the first class mailing, including postage and labels.

VII. Application/Selection Process and Timeline

I have read the City and County of San Francisco's Operational Rules for San Francisco Housing Lotteries and Rental Lease-up Activities (Exhibit S) and understand the application, selection, preparation and review and Lottery process.

[Please complete the following timeline as part of your Plan]

Timeline of Entire Process (add info as needed)

TASK	TIME FRAME	DATE
OCII provides developer with: • Early Outreach Plan and Marketing Plan (which includes Tenant Selection Criteria) ("Plans") template • Fair Chance Ordinance link on HRC website • Operational Rules for Lotteries & Lease Up (an exhibit of the DDA or Loan Agreement) • List of rental readiness service providers who can assist potential applicants or Homeownership SF if for-sale project	Developer will have template prior to or by construction commencement. Develop must submit *draft* Early Outreach and Marketing Plan 30 days after construction commencement.	
Developer provides OCII and/or its agent (MOHCD) with the Early Outreach Plan	At least 1 month after construction commencement	
OCII and/or its agent reviews Outreach Plan for accurate project information, partnering with a community outreach organization, and consistency with template.	OCII will provide approval no later than 10 business days after final draft is received.	
OCII and/or its agent reviews and approves Outreach Plan	Approval is provided within 5 business days.	
Early Outreach begins: • OCII and/or its agent monitors developer's progress on Early Outreach timeline and activities • Developer submits monthly reports on Early Outreach activities to MOHCD		
Developer provides OCII and/or its agent with Early Outreach marketing materials and OCII and/or its agent does 1st of 5 COP mailings	3 months after construction commencement	
Developer submits draft Marketing Plan. Upon receipt of draft Marketing Plan, OCII	12-months prior to the anticipated Temporary	

notifies its agent, if any, that the tenant selection and marketing plans are forthcoming. (If no agent represents OCII proceed to next task below.)	Certificate of Occupancy ("TCO").	
OCII reviews Plan for consistency with development agreements (loan agreements, VDDAs, DDAs, OPA/DDAs), including appropriate rent ranges, AMIs and occupancy preferences, engages with developer if any discrepancies, and confirms with its agent, if any, first draft of plan is consistent with applicable agreement, and sends to its agent, if any.	Within 30 days of receipt of plan (no later than 45 days after receipt of draft plan) OCII sends to plan to its agent	
OCII and/or its agent meet with leasing agent and Access to Housing Partner to go over all marketing, lease-up, and lottery processes	After draft Marketing Plan (with the Tenant Selection Criteria) are approved and before marketing plan is finalized and approved	
OCII and/or its agent approves revised draft Plans and transmits Marketing Plan approval to developer	Within 60 days after the receipt of the Marketing Plan	
Developer provides OCII and/or its agent with marketing materials and OCII and/or its agent does 2nd of 5 COP mailings	12 months before TCO completion	
Developer provides OCII and/or its agent with marketing materials and OCII and/or its agent does 3rd of 5 COP mailings	10 months before TCO	
Developer provides OCII and/or its agent with marketing materials and OCII and/or its agent does 4th of 5 COP mailings	8 months before TCO	
OCII and/or its agent requests any/all Plan updates from developer with finalized dates and actual pricing	7 months before lease up/sales	
Developer submits final plan and COP postcard to OCII and/or its agent • OCII and/or its agent does 5th of 5 COP mailings • Notice of Application Workshops • Includes contact information for support staff (MOHCD) available to COP holders	30 day period, 6 months before lease up/sales	
For projects where lease-up begins between Jan-May: If a new AMI has been published since the first draft of the Marketing Plan was created, then OCII will determine if the new AMI & Rent Limits should be used in the final version of the Marketing Plan. Alert OCII and/or its agent if the AMI numbers are revised.	Same 30 day period as above	

Developer sends advertisements to OCII and/or its agent for review and approval.	Same 30 day period as above	
OCII and/or its agent considers final Marketing Plan with advertisements for approval	Same 30 day period as above	
Marketing Period begins. OCII and/or its agent does COP mailing and posts to website, housing alert system; Front Desk	90 days before lease-up/sales	
Marketing period	28 days (rent) 45 days (homeownership)	
Developer provides OCII and/or its agent with applicant lists on a weekly basis. OCII and/or its agent confirms EAHP & COP.	Weekly during marketing period	
OCII attends a specialized rental readiness workshop session for COP holders	When scheduled	
OCII fields consumer complaints and works with leasing agent to address pre-lottery issues	As needed	
Developer provides OCII and/or its agent with final list of applications that are assigned lottery numbers	One week before lottery date	
Lottery – OCII and/or its agent and assists developer	Four weeks after marketing period ends	
Developer provides OCII and/or its agent with final lottery lists that have been reconciled with the applicant list	ASAP after lottery	
Developer will submit lottery list to OCII and/or its agent who will confirm the list within 7 business days.		
Lease-up/sales begin • The appeals process needs to be included on the application, next to the signature line and in every denial letter sent to applicants.		
If applicant files an appeal: • Developer tracks the appeal on weekly lease-up/sales list • Developer hears the appeal • Before 2nd denial is sent OCII and/or its agent reviews file		
OCII and/or its agent reviews all denials and confirms Developer is correct in calculations and following marketing procedures		
OCII's agent, if any, alerts OCII to problems/concerns with lease-up. (If no agent represents OCII proceed to next step below).		
OCII addresses lease-up/sales issues with Developer		

OCII addresses lease-up/sales issues with consumers and hears denial appeals after initial review by OCII or its agent.		
Developer provides MOHCD with a clean copy of the Final Waitlist		

VIII. Document Review

I/We certify that I/we and all agents involved in the process of renting affordable units have read Exhibit L.

Representative (sign) _____

Representative (print) _____

Title (print) _____

Company (print) _____

Date (print) _____

EXHIBIT T-2

Marketing Plan Template and Tenant Selection Plan Template

City and County of San Francisco
Mayor's Office of Housing and Community Development (MOHCD)

Marketing and Resident Selection Plan for Initial Rental Units (2015 edition)
Projects Approved by the Office of Community Investment and Infrastructure (OCII)

This marketing and tenant selection plan is subject to City review within 10 business days from the date it is received and complete. **Please set all advertising dates in this plan so that no date commences sooner than 30 working days before the date of your plan submission.**

Please complete and return this form in computer "Word" document format so that our office may track changes directly onto the document. The approval process typically involves a back-and-forth process between OCII/MOHCD and the developer's representative. Please do not submit incomplete plans. This marketing and tenant selection plan may be updated from time to time at the discretion of MOHCD. Thank you.

Special Note: Projects initially approved by OCII have been transferred to MOHCD for marketing and oversight.

I. General Information *(Suggestion: Cut and paste sections I - VIII from this form into your marketing plan. This is the exact information required to be included.)*

I/We agree that ("Developer's Name and/or Service Provider") goal is to ensure that all applicants are screened using consistently applied, fair criteria, to provide a desirable, well-maintained and affordable place to live for an economically, racially, and ethnically integrated resident population, while complying with the provisions of any federal, state, or local law prohibiting discrimination in housing on the basis of race, religion, sex, color, family status, disability status, national origin, marital status, ancestry, gender identity or sexual orientation, source of income, or HIV/AIDS status.

In order to inform the public, owners, and prospective tenants about federal fair housing laws and affirmative fair marketing procedures per the MOHCD Loan Agreement, ("Developer's Name and/or Service Provider") will include the Equal Housing Opportunity logotype and/or slogan, and a logotype indicating accessibility to the disabled, in all press releases, solicitations, and program information materials.

Today's Date	
Proposed Marketing Launch Date (Must be no sooner than 30 days from the	

date of first marketing plan submission)	
Name of Building	
Property Address (Street address used for marketing and mailing to new renters)	
Property Address as Stated in Planning Approval	
Planning Motion Number	
Notice of Special Restrictions Document #, Disposition and Development or Owner Participation Agreement # or Loan Agreement #	
Name of City and Co. of SF Planner	

The following developer contact information for is for internal use only.

Name of Developer	
Developer Address	
Developer Phone	
Developer Email	

Name of Marketing Company	
Marketing Agent	
Marketing Agent Address	
Marketing Agent Phone	
Marketing Agent Email	

Date of Building Permit Issuance	
Expected Issuance Date of Temporary Certificate of Occupancy	
Expected Issuance Date of Final Certificate of Occupancy	
Date on Which You Expect Affordable Units to Begin Renting	
Date on Which You Expect All Affordable Units to Complete Renting	

List all Sources of Government Financing for the Project (e.g. CDLAC, TCAC, HUD Loan, Infill Grant, etc.)	
If there is a source of government financing, how long and at what % Area Median Income must your units be restricted **as rental units** under this financing?	
Are your units condo mapped (i.e. subdivided) through the Department of Real Estate?	
Do you intend to convert to ownership units in the future? Please explain.	

II. Overall Building Composition

Total # Units in Building (including affordable)	

Number of Residential Floors in the Building	

III. Market Rate Units (if applicable)

Unit Type	Total #	Rent Range of Market Rate Units
SRO		
Studio		
Jr. 1 Bedroom		
1 Bedroom		
1+ Bedroom		
2 Bedroom		
2+ Bedroom		
3 Bedroom		
3+ Bedroom		
4 Bedroom		
Other		

IV. Affordable Units

Total # affordable (only) Units in Building	

AFFORDABLE UNITS BY BEDROOM SIZE

Unit Type	Total #	Minimum Household Occupancy Size	*Maximum Household Occupancy Size
SRO			
Studio			
Jr. 1 Bedroom			
1 Bedroom			
1+ Bedroom			
2 Bedroom			
2+ Bedroom			
3 Bedroom			
3+ Bedroom			
4 Bedroom			
Other			

*Please not that children under 6 years do not count toward household size.

DETAILED DESCRIPTION OF AFFORDABLE UNITS BY BEDROOM SIZE

Refer to Rent Levels Set by MOHCD for Table Below.

Unit #	Bedroom Count	Bath Count	Square Feet	Unit Acces-sible/ Adapt-able (including Visually or Hearing Impaired)	Rent	% Area Median Income Limit	Max. House-hold Income Allowed	Min. Monthly Household Income Required	Deposit Required	Parking Price

V. Renter Qualifications

I/We understand that it is our responsibility to read and understand the rules of the Regulatory Agreement(s) for this development as well as the marketing and outreach policies set forth by the City and County of San Francisco Mayor's Office of Housing and Community Development.

[You must attach your resident selection criteria document and building application for our review in addition to completing the section below. The resident selection criteria must also specify any preferences or program-specific resident selection criteria applicable to the project, such as lottery preferences, and/or Access Point referrals from the Human Services Agency or Department of Public Health for Local Operating Subsidy Program units, etc. The resident selection criteria must also incorporate references to the Fair Chance Ordinance and how criminal background checks will not be used until after all other qualifications have been reviewed. The resident selection criteria should also include the following information as applicable:

1) Applicant Eligibility Criteria

All applicants must qualify based upon:

- Insert project specific eligibility information (household size, income, age, etc.)
- Commitment to use the unit as the principal residence.
- Commitment to participate in rental restrictions and compliance recertification.

2) Occupancy Preferences (Verify with MOHCD)

Preference will be given to (insert, project-specific preference chart, per the project's MOHCD Loan Documents and/or Ground Lease):

SAMPLE BELOW:

Preference	Applicant Category
1	**Persons Displaced by Project Activity**
2	**Certificate of Preference Holders:** **c. Western Addition** **d. Hunters Point** **e. Residential G**

3	**All Others**

Applicants will be required to indicate on their application if they believe they qualify for a preference, and must submit documented proof along with their application submission. Failure to provide proof may result in the preference not being granted. MOHCD staff will confirm all Certificate of Preference holders. See Exhibit S for Operational Rules for Residential Certificate of Preference Holder and Ellis Act Housing Preference Priority.

Notes regarding preferences:

- Only one form of documented proof is required.
- Only one adult household member must be eligible for a preference.
- Any preference claim found to be false may result in the reordering of the application as if it had never requested or received a preference, or in the case of proven fraud by MOHCD, withdrawal of the application.

During ongoing lease-ups of units, Certificate Holders will receive priority on the waitlist. See "Certificate of Preference" section for more information.

3) Local Operating Subsidy Program

[If your project is receiving Local Operating Subsidy Program ("LOSP") funds from either the Department of Public Health or Human Services Agency for designated LOSP units, then describe the total number of units and number of units receiving LOSP subsidy along with the referral process for those units, also please insert the following language:]

"Certificate of Preference Holders who meet eligibility for (Insert City department providing LOSP funds)'s LOSP units will have priority status over other LOSP applicants. Certificate holders will be required to apply for the LOSP units by going through the (Insert DPH or HSA) designated Access Sites/Points for LOSP eligibility screening."

[PLEASE INSERT THE ANNUAL INCOME LIMIT YOU WILL USE AND INSERT INCOME LIMITS INTO THE TABLE BELOW]

_____**% of Maximum Income by Household Size derived from the Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco 2015**

A one person household can make no more than $_____
A two person household can make no more than $_____
A three person household can make no more than $_____
A four person household can make no more than $_____
A five person household can make no more than $_____
A six person household can make no more than $_____
A seven person household can make no more than $_____
(Please visit www.sfmohcd.org for larger households.)

4) Basis of Denial for Lottery Winners:

[Please list the reasons why you would deny AFFORDABLE lottery winner (e.g. evictions, credit issues, etc.). Please be specific with each ground for denial, stating the specific standard within each denial rather than the general standard.]

Basis of Denial for Lottery Winners:

Ability to pay rent standard – [please complete in detail] Credit Standard – [please complete in detail] Rental History Standard – [please complete in detail] Criminal History Standard must be compliant with Fair Chance Ordinance– [please complete in detail] Maximum Household Size Standard – [please complete in detail] Other – [please complete]

-

I/we confirm that the building selection criteria rules that we will apply to the Affordable Rental applicants are the same as or more lenient than those applied to applicants for our market rate units.

5) Mitigating Circumstances:

[The Developer should describe its mitigating circumstances policy and procedures.]

6) Reasonable Accommodations:

[Your plan should provide instructions on filing a Request for Reasonable Accommodation; guidelines for considering and evaluating a Request for Reasonable Accommodation, and the appeal process.]

7) Grievance Policy

The Grievance Policy will be available to all applicants of ("Project Name"). (See below for a sample Grievance Policy).

SAMPLE GRIEVANCE POLICY:

> "If, at any time during the application process, you feel that your rights, duties, welfare, or status are or may have been adversely affected by ("Developer's Name and/or Service Provider's") action or failure to act, you may submit your grievance for informal or formal review. You may call (insert phone #) and leave a voicemail if necessary, and your call will be returned as soon as possible, but no later than 3 business days after your call date. If your grievance is not resolved at that point, you may request an informal hearing, which is a meeting with the ("Developer's Name and/or Service Provider") Staff and Director. The goal of the informal hearing is to settle the problem without the need for a formal hearing. In the event the problem is not settled, you are entitled to request a formal hearing. A formal hearing is between you and ("Developer's Name and/or Service Provider"), and a designated member of MOHCD. To request a formal hearing, you must already have attempted to resolve the issue with the ("Developer's Name and/or Service Provider") and through an informal hearing described above. All requests for informal or formal meetings must be in writing, and must contain specific grounds for complaint. Hearing requests should be mailed to: (insert "Developer's Name and/or Service Provider" & contact info).

If you have a grievance with any entity related to the project, including MOHCD, please contact the ("Developer's Name and/or Service Provider") to advise you on pursuing the appropriate next steps."

VI. Marketing Strategy

Advertising

The City and County of San Francisco requires best practices regarding marketing affordable units. These best practices include advertising over a period of at least three (3) weeks in five (5) local newspapers that outreach to minority and low-, median-, and moderate-income communities in San Francisco and in one (1) citywide paper for a period of 2 weekends on a Saturday or Sunday. The marketing must occur during the first 3 weeks of the 4-week required MOHCD posting period.

I/We will post in the following five (5) local venues throughout a 3-week period at least one time each week:

Newspaper or publication	Exact Advertisements Dates
Suggestion: Craig's List	
Suggestion: Bayview or Sun Reporter (African American audience)	
Suggestion: El Mensajero or El Tecalote (Spanish speaking audience)	
Suggestion: Philippine News or Asian Journal (Filipino audience)	
Suggestion: Asian Weekly or Singtao Daily (Chinese audience)	
Suggestion for Other: Choose a paper that is local to the building	

I/We will announce the affordable housing opportunity in at least three of the following non-print electronic media outlets throughout the marketing period.

Social Media Activity	Exact Advertisement Dates Sources
Suggestion: Facebook, Twitter, etc.	
Suggestion: website	
Suggestion: email blast	

All newspaper ads and postings will state income maximums by household size; renter qualifications; rental team contact information as the primary contact information; and identify MOHCD as the monitor of the Affordable Rental program. Ads may refer applicants to the MOHCD website at www.sfmohcd.org but will not list MOHCD telephone numbers or email addresses. A copy of the wording to be used in all advertising will be sent to MOHCD for initial review and copies of all placed ads will be sent to MOHCD upon the completion of the marketing period. All postings will display an "Equal Housing Opportunity" symbol on all marketing materials, advertisements and notices at the rental office:

SAMPLE AD LANGUAGE:

2 one-bedroom Affordable Rental Units available at 333 Birch Street. $1,000 a month. Must not own a housing unit and be income eligible. Households must earn no more than the maximum income levels below:

55% of Median Income
One person - $38,950; 2 persons - $44,500; 3 persons - $50,100; 4 persons - $55,650 etc.

Applications due by 5pm on DATE. Please contact the Green Company for an application and more information at (415) xxx-xxxx or 333birchaffordable@green.com or download at www.green.com.

Units available through the San Francisco Mayor's Office of Housing and Community Development and are subject to monitoring and other restrictions. Visit www.sfmohcd.org for program information.

I/We will use the following ad language when advertising the Affordable Rental units.

[Your Proposed Ad Language Here:]

Beyond the information provided in the application for the Affordable Rental unit(s), applicants will have access to information on the units available. This information will be relayed in the following manner: _____(This information may be relayed through a general website for the development or through flyers or other handouts on the development.)

Outreach Materials (i.e. post cards)

I/We understand that our project must provide a post card **as a part of this submission** for the AFFORDABLE units available that includes the following information. (Please see sample template at the end of this document for a template.)

- "Affordable Rental" indication
- Reference to MOHCD Affordable Rental program
- Certificate of Preference and Ellis Act Housing Preference indication (if applicable)
- Maximum and minimum qualifying incomes
- Rent Levels
- Description of units
- Exterior and interior photo of the development
- Information on information sessions
- Information on how to obtain an application
- Fair Housing logo
- Equal Opportunity logo
- Your website

Strategy for Marketing to Residents of the Immediate Neighborhood

I/We understand we must present a strategy for reaching out to the local community surrounding the building. [Suggestions include posting flyers in local community meeting places, posting the units in local papers, and reaching out to local community groups. This strategy is above and beyond your ad placements. At a minimum, list 10 local venues in which you will post your flyer or otherwise distribute your flyer.]

[Your Strategy for Marketing to Residents of the Immediate Neighborhood Here:]

Outreach to Certificate of Preference Holders

I/We understand that we are responsible for marketing our Affordable Rental units to Certificate of Preference holders. Certificate of Preference holders are primarily households displaced in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action. I/We understand that we are not responsible for direct marketing to Ellis Act Housing Preference holders. For more information, applicants may contact 415-701-5613.

I/We understand that I/we shall provide post cards for the mailing of an affordable housing announcement to all Certificate of Preference holders. We are responsible for printing the post cards using the information provided by MOHCD. MOHCD shall coordinate the mailing and invoice the developer for the full cost of the first class mailing, including postage and labels.

Important Dates and Completion of MOHCD Web Posting

I/We understand that Affordable units must be posted on the MOHCD website for at least 28 calendar days prior to application deadline. The following template will be posted on the MOH website during the marketing period.

Please complete this template thoroughly. This posting will appear on the MOHCD website under "Current Rental Listings." Please remove red sections once complete.

Posting Date	Enter the date on which you would like to begin your marketing. Must be at least 30 days from the date of your submittal of a complete marketing plan to MOHCD.
Type of Unit	For example: Senior Housing; LOSP; Multi-family, etc.
Development Name	
Address	
Number of Units	Total number of affordable units
Number of Bedrooms	
Neighborhood	Write name of neighborhood here
Square Footage	
Year Built	
Maximum Allowable Income Level of Households	Use these income levels or levels specific to your units. The levels below may not apply to your project. Please remove levels of households that are too small for the unit. **55% of Maximum Income by Household Size derived from the Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco 2015** A one person household can make no more than $37,350 A two person household can make no more than $42,750 A three person household can make no more than $48,050 A four person household can make no more than $53,400 A five person household can make no more than $57,650 A six person household can make no more than $61,950 A seven person household can make no more than $66,200
Rent	Use the rent levels and unit sizes specific to your unit and remove all others that are not applicable. For example: 2015 Maximum Monthly Rent By Unit Type (without utilities) 55% of Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco SRO - $695 Studio - $939 1-Bedroom - $1,066 2-Bedroom - $1,192 3-Bedroom - $1,309 4-Bedroom - $1,392

Minimum Allowable Income Level of Households	Studio unit(s) – Household income must equal at least __ a month. One-bedroom unit(s) – Household income must equal at least __ a month. Two-bedroom unit(s) – Household income must equal at least __ a month. Three-bedroom unit(s) – Household income must equal at least __ a month.
Minimum Household Size	Households should be at least as many people as there are bedrooms in the unit to apply.
Maximum Household Size	Household size should not be limited beyond that allowed by SF Housing Code.
Building Selection Criteria	Please complete according to your guidelines. In addition to qualifying under the rules of the Affordable Housing Program, applicants must qualify under the rules of the building. Each section below should be completed with detail **Building Selection Criteria:** Ability to pay rent standard – example – income must be 2 times monthly rent Credit Standard – example – no lower than 580 Rental History Standard – example- no previous evictions in the last 3 years Criminal History Standard – example – no felony conviction in the last 7 years *Please note, in compliance with Article 49 of the San Francisco Police Code, Qualified applicants with criminal history will be considered for housing in compliance with Article 49 of the San Francisco Police Code, "The Fair Chance Ordinance."* Other – please list any other eligibility criteria not listed anywhere else on this posting. You may also include a link to additional selection criteria documents or info for consumer review.
Deposit Required for Move-in	
Parking	Each unit includes one parking space as a part of the rent -OR- One parking space per unit available for $_____ a month fee.
Which, if any, utilities are paid by the building?	
How are utilities paid by the renter?	Renter pays own utility bills directly. -OR- Renter is charged a flat rate of $___ by a third party vendor for the following utilities: _____on a monthly basis. -OR- All utilities are paid by the building.

Other fees and/or building rules	Please list any fees for pets, mandatory insurance, bounced check, etc. here.
Contact Person	
Phone	
Email	
Website	
How to obtain an application	
Application deadline	_____, 5pm Applications must be received in paper form (no faxes or emails) by 5pm on the date of the deadline.
Address to which application should be delivered	Office: Rental Manager Name: Address: City/State/Zip Code: Attn:
Open House Dates (if applicable)	Date: Time: Date: Time: Date: Time:
Information Session	Enter date, time and location
Lottery	Enter date, time and location (Consider working with City to rent Main Library Koret Auditorium if a larger lottery is anticipated.) Applicants do not need to be present at the lottery. Results will be posted to (place your web URL here) within two weeks of the lottery.
Special Note(s)	

VII. Application/Selection Process and Timeline

I have read the City and County of San Francisco's Addendum to Marketing (Exhibit S) and understand the application, selection, preparation and review and Lottery process.

[Please complete the following timeline as part of your Marketing Plan]
Timeline of Entire Process (add info as needed)

Task Name	Date
Submittal of Marketing Plan to MOHCD	
Marketing period (3 months)	
Copy of Advertisements to required newspapers	
Applications Available to public	
Informational Workshop #1	
Informational Workshop #2	
Additional Community Outreach (if applicable)	
Application Deadline	
Lottery	
Demographic Summary of all Applicants to MOHCD	
Certificate of Preference count to MOHCD	
Application Review / Approval Process- start date	
Lease-up process / timeline	
Initial MOHCD approvals returned	
First Occupancy	
Construction start date- projected	
Project Closing- projected date	

VIII. Document Review

I/We certify that I/we and all agents involved in the process of renting affordable units have read Exhibit L.

Representative (sign) _____

Representative (print) _____

Title (print) _____

Company (print) _____

Date (print) _____

COP Postcard Template

Affordable Homes for Rent in San Francisco

Exterior Photo	Interior Photo

3 two-bedroom ($rent amount)+ 3 three-bedroom ($rent amount) rental units available at Bayside Village, 1125 Laurel Court

- Renter Households must have a minimum monthly income of $_____
- Renter households must earn no more than the income levels listed below:

Household Size	One Person	Two Person	Three Person	Four Person	Five Person
55% of Median Income 2015	$	$	$	$	$

Side Two:

Mayor's Office of Housing & Community Development
1 South Van Ness, 5th Floor
San Francisco, CA 94103

Applications must be received by
5pm on Friday, April 13, 2012 to:
ABC Rentals, 1234 Main Street
San Francisco, CA 94114.

For more information & to apply Contact JM Rentals
(415) 282-0000 or john@jmrentals.com or
www.sfmohcd.org

Information session
Monday, June 2, 2012, 6pm
123 Hyde Street

Open House Dates
June 2, 5-6pm; June 12, 12-1pm; June 25, 5-6pm

EXHIBIT T-3

Marketing Process and Timeline

OCII Project Early Outreach and Marketing Responsibilities and Timeline

TASK	TIME FRAME
OCII provides developer with: • Early Outreach Plan and Marketing Plan (which includes Tenant Selection Criteria) ("Plans") templates • Fair Chance Ordinance link on HRC website • Operational Rules for Lotteries & Lease Up (an exhibit of the Loan Agreement) • List of MOHCD's rental readiness service providers who can assist potential applicants or Homeownership SF if for-sale project	Developer will have template prior to or by construction commencement. Developer must submit *draft* Early Outreach and Marketing Plans 30 days after construction commencement.
Upon receipt of draft Outreach Plan, OCII notifies MOHCD Team that outreach plan is forthcoming.	At least 1 month after construction commencement
OCII reviews Outreach Plan for accurate project information, partnership with a community outreach organization, and consistency with template.	OCII will provide approval no later than 10 business days after final draft is received.
MOHCD reviews and approves Outreach Plan	Approval is provided within 5 business days.
Early Outreach begins: • MOHCD monitors developer's progress on Early Outreach timeline and activities • Developer submits monthly reports on Early Outreach activities to MOHCD	
Developer provides MOHCD with Early Outreach marketing materials and MOHCD does 1st of 5 COP mailings	3 months after construction commencement
Developer submits refined draft Marketing Plan. Upon receipt of draft Marketing Plan, OCII notifies MOHCD Team that the tenant selection and marketing plans are forthcoming.	12-months prior to the anticipated Temporary Certificate of Occupancy ("TCO").
OCII reviews Plan for consistency with development agreements (loan agreements, VDDAs), including appropriate rent ranges, AMIs and occupancy preferences, engages with developer if any discrepancies, and confirms with MOHCD first draft of plan is consistent with applicable agreement, and sends to MOHCD.	Within 30 days of receipt of plan (no later than 45 days after receipt of draft plan) OCII sends to plan to MOHCD
OCII and MOHCD meet with leasing agent and Access to Housing Agency to go over all marketing, lease-up & lottery processes	After draft Marketing Plan (with the Tenant Selection Criteria) is approved and before Marketing Plan is finalized and approved
OCII and MOHCD approve revised draft Plans & transmits Marketing Plan approval to developer	Within 60 days after the receipt of the Marketing Plan

Developer provides MOHCD with marketing materials and MOHCD does 2nd of 5 COP mailings	12 months before TCO completion
Developer provides MOHCD with marketing materials and MOHCD does 3rd of 5 COP mailings	10 months before TCO
Developer provides MOHCD with marketing materials and MOHCD does 4th of 5 COP mailings	8 months before TCO
MOHCD requests any/all Plan updates from developer with finalized dates and actual pricing	7 months before lease up/sales
Developer submits final plan and COP postcard to MOHCD • MOHCD does 5th of 5 COP mailings • Notice of Application Workshops	30 day period, 6 months before lease up/sales
For projects where lease-up begins between Jan-May: If a new AMI has been published since the first draft of the Marketing Plan was created, then OCII negotiates with developer to decide if the new AMI & Rent limits should be used in the final version of the marketing Plan. Alert MOHCD if the AMI numbers are revised.	Same 30 day period as above
Developer sends advertisements to MOHCD for review	Same 30 day period as above
MOHCD provides MOHCD approved plan with advertisements to OCII for final approval	
Marketing Period begins. MOHCD does COP mailing and posts to website, housing alert system; Front Desk	90 days before lease-up/sales
Marketing period	28 days (rent) 45 days (own)
Developer provides MOHCD with applicant lists on a weekly basis. MOHCD confirms EAHP & COP	Weekly during marketing period
OCII attends consumer information session (if applicable)	If/when scheduled
OCII fields consumer complaints and works with leasing agent to address pre lottery issues	As needed
Developer provides MOHCD with final list of applications that are assigned lottery numbers	One week before lottery date
Lottery – MOHCD assists developer	Two weeks after marketing period ends
Developer provides MOHCD with final applicant list in lottery order that has been reconciled with the lottery list.	ASAP after lottery
Developer will submit lottery list to MOHCD who will confirm the list within 7 business days.	
Lease-up/sales begins • The appeals process needs to be included on the application, next to the signature line and in every denial letter sent to applicants	
Developer submits weekly lease-up/sales reports to MOHCD using spreadsheet provided by MOHCD — Weekly during lease up	Developer submits weekly lease-up/sales reports to MOHCD using spreadsheet provided by MOHCD — Weekly during lease up
If applicant files an appeal:	

• Developer tracks the appeal on weekly lease up list • Developer hears the appeal • Before 2nd denial is sent OCII/MOHCD need to review file	
MOHCD reviews all denials and confirms Developer is correct in calculations and following marketing procedures	
MOHCD alerts OCII to problems/concerns with lease-up	
OCII addresses lease-up issues with Developer	
Developer provides MOHCD with a clean copy of the Final Waitlist	

Attachment 3

Citywide Affordable Housing Loan Committee

San Francisco Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure

1150 3rd Street
(a.k.a. Mission Bay South Block 3 East)
Funding Amount: Up to $18,093,600
Permanent Gap Loan

Evaluation of Request for:	Permanent Gap Loan Funding
Loan Committee Date:	June 23, 2017
Prepared By:	Benjamin Brandin
ROPS Line:	394
Source of Funds Recommended:	sf.citi / Hamilton Family Foundation Donation, Redevelopment Property Tax Trust Funds, 1180 4th Street Excess Proceeds, Mission Bay Block 1 Developer Fees, and SB107 Bond Proceeds
NOFA/PROGRAM/RFP:	1150 3rd Street Request for Proposals
Total Previous City Funds Committed:	$2,500,000
Applicant/Sponsor Name:	Chinatown Community Development Center & Swords To Plowshares

EXECUTIVE SUMMARY

Sponsors' Information:

Project Name:	1150 3rd Street Housing	Sponsor(s):	Chinatown Community Development Center & Swords To Plowshares
Project Address (w/ cross St):	1150 3rdStreet @ Mission Rock Street	Ultimate Borrower Entity:	MB3E, L.P.

Project Summary:

Chinatown Community Development Center ("CCDC") and Swords to Plowshares ("STP") (collectively the "Sponsors" or "Developer") are co-developing 1150 3rd Street (Mission Bay South Block 3 East or "MBS 3E"). The development will be 119 units of affordable housing for formerly homeless veterans and low-income families ("The Project"). The Project's unit mix includes 12 Studios and 50 one-bedroom units for formerly homeless veterans; 5 one-bedroom units, 30 two-bedroom units, 21 three-bedroom units for low-income families; and 1 two-bedroom manager's unit. The units will all be restricted to residents earning no more than 60% of the unadjusted Area Median Income ("AMI") as established by the San Francisco Mayor's Office of Housing and Community Development ("MOHCD"). However, the formerly homeless veterans' units will target rents not to exceed 30% of the MOHCD AMI. These households will contribute 30% of their income toward rent. There will be 55 HUD Veterans Affairs Supportive Housing ("VASH") project-based vouchers that will cover the difference between the tenant's rent contribution and the HUD contract rent. The City's Local Operating Subsidy Program ("LOSP") will cover the difference between the cost to operate the homeless unit and the tenant's contribution for the 7 supportive housing units that are not covered by VASH vouchers. The Project will include a large community room with a kitchen, a computer lab, a teen community space, children's play space, services offices to serve the family and formerly homeless populations, onsite laundry, secure parking for 72 bicycles, and 25 off-street parking spaces in an enclosed podium garage. The San Francisco Draft 2015 – 2019 Consolidated Plan represents that City's production goal is to produce 1,450 very low- and low-income housing units between 2014 – 2022. These 118 affordable units will contribute to this goal.

The Sponsors' proposed financing structure reflects an award from California's new Veterans Housing and Homelessness Prevention ("VHHP") Program, a Low Income Housing Tax Credit allocation, an award from the Federal Home Loan Bank's Affordable Housing Program ("AHP"), tax-exempt bonds, and an Office of Community Investment and Infrastructure ("OCII" or the "Successor Agency") subsidy.

Project Description:

Gap Loan Amount Requested:	$18,093,600	Gap Request Amount per unit:	$152,047
Total OCII Perm Loan (incl. Predev. Loan)	$20,593,600	Total OCII Loan Amount per unit:	$173,055
Total Development Cost:	$80,233,627	Total Development Cost/unit:	$674,232
Construction Type:	Type V over Type 1	Project Type:	New Construction
Number of Stories:	5	Lot Size (acres and sf):	1.08 acres / 47,140 sf
Number of Units:	119	Architect:	Leddy Maytum Stacy ("LMS")
Total Residential Area: (Living area only. Excludes community space, parking garage, and circulation.)	74,795 sf	General Contractor:	Nibbi Brothers
Total Commercial Area:	N/A	Property Manager:	CCDC
Total Building Area:	124,200 sf	Supervisor and District:	Sup. Jane Kim, D-6

PRINCIPAL DEVELOPMENT ISSUES

- **Foundation System and Soil Contamination**

  The soil at MBS 3E is contaminated with lead, which was discovered in every soil sample taken during predevelopment testing. Since many of the soil samples evidenced contamination levels exceeding that which is allowed by the state of California, some or all of the contaminated soil that cannot be utilized and capped onsite will need to be transported offsite to a facility that will accept it. The Sponsors and general contractor, Nibbi Brothers ("Nibbi") have assumed a worst-case scenario in which all offhauled soil is considered Class I California Hazardous Waste and must be shipped to an acceptance facility out of state, as is common with heavily polluted soil that exceeds state thresholds. This worst-case scenario estimates a cost of $775,000 if all the soil that is offhauled has elevated levels of lead. See Section 2.2.

  Separately, the site sits upon landfill that is susceptible to liquefaction. Thus, the geotechnical report calls for driven piles to support the Project's foundation. This site is unique in that when Mission Bay was still a real bay this location represented one of the deepest points, and therefore the driven piles must sink to depths between 245 feet to 260 feet in order to anchor to bedrock. This results in an expensive foundation system to support a 5-story building. The pile foundation amounts to an approximate cost of $3.5MM. See Section 2.3.

- **Bid Timing**

  The current hard cost budget is based on a cost estimate for the 100% Design Development plans. Using the 100% complete Construction Documents Nibbi will bid the Project out this summer to its subcontractor pool. OCII is comfortable moving forward with this gap loan request based on the 100% Design Development cost estimate for two reasons: (1) the development budget still includes a 5% Bid Contingency, a 5% Design Contingency, and a 5% Plan Check Contingency all of which are allowable per the MOHCD underwriting guidelines for a project in this stage of the predevelopment period, and (2) OCII's construction specialist is reviewing the architectural plans and highlighting detail problems and omissions that the design team must address before the general contractor is authorized to bid the Project. See Section 4.3

- **Total Development Cost Increase from Predev Loan Approval to Present Gap Loan Approval Request**

  In a responsive effort to address OCII's concerns both about the Project's total development costs at the time of the predevelopment loan request, the Sponsors and design team proposed adding 18 additional units to achieve greater economies of scale. Since the predevelopment loan approval in December 2015, the total development cost of the Project has increased from $69,387,216 to $80,233,627. This $10.8MM increase is significant but acceptable to OCII only because at the time of the predevelopment loan approval the Project size was 101 units, and now it totals 119 units. As stated above, the Project has an expensive foundation system and spreading that cost among additional units does bring down the total development cost per unit. At the time of the predevelopment loan approval request, total development cost/unit was estimated at $687K. By adding the additional 18 units that number is now $674K/unit. While the total development cost for the Project has risen significantly since the predevelopment loan approval and this request, increasing the density of the Project has shrunk the total development cost per unit by nearly $13K. In terms of percentages, the Project grew by 18% in size and 11% in construction costs.

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
OCII Predev. Loan	$2,500,000	3% interest; rolls into perm. loan	Committed
Total	$2,500,000		

Permanent Sources	Amount	Terms	Status
OCII Gap Loan	$20,593,600	55 yrs. @ 3% / Res Rec	This Request
OCII Accrued/Deferred Int.	$1,043,107	N/A	This Request
Tax Exempt Perm. Loan	$14,202,879	30 yrs. at 5.2%	Committed
VHHP	$10,000,000	55 yrs @ 3% / for the first 30 yrs. of the loan term Borrower must pay 0.42% of the outstanding principal balance.	Committed
AHP	$1,500,000	30 yrs. /Loan	Not Com
Owner Equity	$1,110,000	N/A	Committed
Deferred Fee	$990,000	N/A	Committed
Income from Operations	$828,025		This Request
Tax Credit Equity	$29,966,016	0.95 per Federal Credit	Not Com
Total	$80,233,627		

Uses	Amount	Per Unit	Per SF
Acquisition	$0	$0	$0
Hard Costs	$63,571,378	$534,213	$512
Soft Costs	$13,162,249	$110,607	$106
Developer Fee	$3,500,000	$29,412	$28
Total	$80,233,627	$674,232	$646

Note: In this summary, the Hard Costs total is a combination of actual project hard costs of $60,556,318 and the owner's construction contingency of $3,015,060. If you evaluate the hard costs excluding the owner's construction contingency then the Hard Costs per unit amounts to $508,877.

1. BACKGROUND

1.1. Project History Leading to This Request.

The Mission Bay South project area includes the development of 3,440 housing units, of which at least 1,108 units (32%) will be affordable. To date, 350 of those affordable units have been completed, leaving approximately 760 affordable units to be developed. The development of the OCII-sponsored units will be subsidized through a minimum of 20% tax increment affordable housing set-aside generated by Mission Bay North and South, along with excess tax increment not needed for public infrastructure development, as required by the Mission Bay South Owner Participation Agreement ("OPA"). The majority of the 1,108 affordable units will be developed on OCII Affordable Housing Parcels contributed by the Master Developer, Mission Bay Development Group ("MBDG"), to OCII pursuant to the Mission Bay OPA. The project site is part of this land contribution.

1150 3rd Street is part of the 303-acre Mission Bay redevelopment district that was administered by the former San Francisco Redevelopment Agency ("SFRA"). Pursuant to state law redevelopment agencies throughout the State of California were eliminated on February 1, 2012, California Health and Safety Code §§34161 et seq (the

"Redevelopment Dissolution Law"). OCII is the Successor Agency to SFRA and is responsible for implementing SFRA's enforceable obligations. On January 24, 2014, the California Department of Finance ("DOF") determined "finally and conclusively" that the Mission Bay South OPA and tax allocation pledge agreement are enforceable obligations under AB 26 and AB 1484.

OCII issued a development Request for Proposals ("RFP") for MBS 3E on April 23, 2015 and three applicant submitted response proposals. An evaluation panel comprised of three OCII staff, a MOHCD representative, a San Francisco Human Services Agency ("HSA") representative, one member from the Mission Bay Citizens Advisory Committee ("CAC"), and a representative from Corporation for Supportive Housing ("CSH") (collectively "the Evaluation Panel") thoroughly reviewed the submittals by the three teams and conducted interviews of each of the applicants. In August 2015, the Evaluation Panel determined that the proposal submitted by the Sponsors was most responsive to the RFP criteria and selected the team to develop the parcel located at 1150 3rd Street.

Since the Sponsors were selected, the Project has changed in scope. The most significant difference is the addition of 18 additional units increasing the size of the development from 101 units as prescribed in the RFP to the present 119 units. The project still essentially maintains the 50/50 split of formerly homeless veterans and low-income family units. The RFP initially prescribed a mix of 50 veterans units, 50 family units, and one manager's unit. The current and final unit mix now includes 62 veterans units and 56 family units, and one manager's unit.

The Project will close construction financing in fall 2017. The development team has submitted the Site Permit application to the Building Department. Once the Site Permit is fully approved, the design team will follow with Addenda 1 and 2 submissions. The project will go out to bid in August and subcontractor responses will be due 30 days after the bid issuance date. Both TCAC and CDLAC applications have been submitted, with tax credit and bond allocations expected on July 19, 2017. The Project has already been awarded 55 VASH vouchers and the VHHP and AHP funds were awarded earlier this month.

1.2. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

Borrower Entity: MB3E, L.P.

The Chinatown Community Housing Corporation ("CCHC") was established in 1978 as a subsidiary of the Chinatown Resource Center ("CRC"), a nonprofit community development organization established the previous year. CRC was founded by five smaller Chinese community-based organizations that were formed in the late 1960s and early 1970s. CCHC's mission was to provide safe, decent and affordable housing, and it worked closely with CRC to integrate housing development activities into an overall neighborhood improvement strategy. In 1998, in an effort to better serve their constituencies' community development needs through streamlined governance and operations, CRC and CCHC merged to become Chinatown Community Development Center, with a mission "to build community and enhance the quality of life for San Francisco residents" and a commitment "to the empowerment of low-income residents, diversity and coalition building and social and economic justice." Though based in

Chinatown, the organization serves other neighborhoods, including North Beach and the Tenderloin. Its Board of Directors consists of 25 individuals with a breadth of experience including affordable housing development, supportive housing, real estate, law, and accounting.

STP is a community-based, not-for-profit veteran service organization that provides wrap-around care to more than 3,000 veterans in the San Francisco Bay Area each year. Founded in 1974, STP has a long track record of success helping veterans lead stable and healthy lives, and is recognized for expert leadership and continued dedication to improving the systems that veterans rely on. The organization is committed to helping veterans break through the cultural, educational, psychological and economic barriers they often face in their transition to the civilian world. Additionally, STP advocates for reform at the state, local and national level to increase access to care, and improve services for all veterans and their families.

The borrower entity is a limited partnership, where the Sponsors will develop the site as co-general partners via limited liability companies (LLCs) set up for this Project. The Sponsors utilized the same ownership structure for the Veterans Commons/150 Otis Street project, which was jointly developed and is owned/operated by CCDC and STP. The Sponsors have set up the entities during predevelopment, prior to executing the predevelopment loan. Both Sponsors will remain in the partnership for 15 years.

Kim Piechota, project manager at CCDC, is the lead role in managing the development of 1150 3rd Street. Kim has over 15 years of experience in project management, and was the project manager for Veterans Commons, and the recently completed Broadway Sansome Apartments, a 74-unit mixed-use development for families, including homeless families and individuals. Starting in 2016, Kim has spent half her time working on 1150 Third Street, and the other half on Ping Yuen North, a 200-unit Rental Assistance Demonstration ("RAD") Phase II project.

2. SITE (See Attachment E for Site map with amenities)

Site Description	
Zoning:	MB-RA
Maximum units allowed by current zoning (N/A if rehab):	119 units
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	N/A
Soil type:	According to the Mission Bay Subsequent EIR ("SEIR"), MBS 3E was within Mission Bay before it was filled and still contains shallow water. The area south of the China Basin Channel (Mission Creek) that includes Block 3 East was filled between approximately 1884 and 1892. Existing data at the site and in the vicinity indicate there is about 15 to 30 feet of fill. The fill is typically composed of clay, sand and gravel mixtures with cobbles, boulders and debris. Groundwater ranges from 4 to 10 feet below the ground surface and is most typically encountered 7 feet

	below the ground surface. The fill is underlain by weak compressible clay known as Bay Mud with thicknesses of 90 to 120 feet at the western end of the site and 70 to 100 feet at the eastern end of the site. Below the Bay Mud, interlayered stiff to hard clay and dense sand are typically encountered. Bedrock grades from a high point of approximately 160 feet below the ground surface to approximately 220 feet below the ground surface in a general direction of southwest to northeast. The development team has accounted for this by designing a site-specific structural system, which is included in the Sources and Uses.
Environmental Review:	As part of its actions on September 17, 1998 establishing the Mission Bay Redevelopment Project Areas, the Redevelopment and Planning Commissions certified the Final Subsequent Environmental Impact Report ("FSEIR"), adopted findings under the California Environmental Quality Act ("CEQA"), adopted a series of mitigation measures, and established a comprehensive system for mitigation monitoring. The Board of Supervisors and other City departments adopted similar findings and mitigation monitoring plans. The Sponsors will work with OCII staff to ensure that the mitigation monitoring measures for Block 3 East are appropriately documented and implemented. A Phase I, and a combined Soil Management Plan and Phase II have been conducted for the site. The primary issue identified in the Phase II was the presence of lead-containing soil; lead was identified in all of the samples taken, some of which were above the State of CA Class I hazardous waste criteria, and one of which was above the federal Class I criteria. The construction budget currently assumes that all offhaul will need to be disposed of as hazardous waste. See Paragraph 2.5 below for additional soils information. Additionally, due to the use of Project-based VASH vouchers, a NEPA Phase I Environmental Site Assessment ("ESA") has also been completed. The ESA identified the potential for deeply buried prehistoric archaeological resources and subsurface historic archaeological features. This is consistent with the Mission Bay EIR. An Archaeological Testing Plan ("ATP") is required; the Sponsors have executed a contract to produce an ATP, and that work is underway and will be complete by August 1st, at which point HUD's approval of the NEPA analysis is expected to be finalized and it will issue its Authority to Use Grant Funds ("AUGF").
Adjacent uses (North):	315 market rate rental units at Channel Mission Bay.
Adjacent uses (South):	Partially developed with 192 market rate rental units at the Strata development (Mission Bay South Block 4W) on the western portion of the block. Mission Bay South Block 4E is another OCII affordable housing site that will be developed in the future with 97 units.

Adjacent uses (East):	Third Street, with SF Municipal Transportation Agency ("MUNI") T-stop directly in front of site; master-planned Giants development across street (Seawall Lot 337).
Adjacent uses (West):	147 market rate rental units.
Neighborhood Amenities within 0.5 miles:	Supermarkets: There is a Safeway supermarket located at 4th and King Streets just 0.4 mile from the site. The second closest supermarket is located at 4th and Harrison Streets just 0.8 mile away from the site. Pharmacy: Two pharmacies are located within a half mile of the site – one Walgreens at 4th and Townsend Streets and Safeway at 4th and King Streets. Library: The Mission Bay Public Library is located 3½ blocks (⅓-mile) from the site. Parks: Mission Creek Park can be accessed two blocks from the site; Children's park, which is nearly completed, is 2½ blocks from the site; a dog park is located four blocks from the site; and the Bay Trail can be accessed only two blocks from the development.
Public Transportation within 0.5 miles:	MUNI K, T, & S light rail lines as well as the 91 Owl bus line all stop directly in front of site. Caltrain Station is located a ½ mi from site at 4th and King Streets.
Article 34:	Article 34 authority was approved as of February 13, 2017.
Article 38:	Exempt. Project is new construction and is outside the exposure zone map area.
Accessibility:	Per TCAC standards, 10 % of units will include mobility features and 4% will have communications features. All of the units will be adaptable.
Green Building:	Per the RFP, the building must achieve either a Green Point Rating of 125 or above, or a LEED Gold rating. The Project has been designed to meet the Green Point Rating threshold.
Recycled Water:	Not exempt. The project does fall within the boundaries of the designated recycled water use area, and therefore it will be required to comply with the City's Recycled Water Ordinance. As such, the Sponsors will be required to install purple pipe to recycle grey water within the project.
Storm Water Management:	Developments that disturb 5,000 square feet or more of the ground surface must comply with the Stormwater Design Guidelines and submit a Stormwater Control Plan to the SFPUC for review. The development team has met with SFPUC during the predevelopment period and incorporated all stormwater management requirements into the design of the building. This includes providing a number of biofiltration basins both in the central courtyard and along the sidewalks.

2.1. Zoning.

The Project site is zoned MB-RA in the San Francisco Planning Code and designated Mission Bay South Residential in the Mission Bay South Redevelopment Plan (the regulatory document for land uses in the Mission Bay South Project Area where the project is located). The allocation of residential density in the Mission Bay South

Redevelopment Project Area is assigned through a planning process to determine the maximum density allowed for each individual parcel and can vary by parcel.

While the zoning is form-based and does not denote a maximum density for the site, the RFP was very prescriptive and limited the development to 101 units. To maximize economies of scale OCII increased the unit count to 119, which is allowed for this site under the Mission Bay South Redevelopment Plan.

2.2. Environmental Issues.

- Phase I/II Site Assessment Status and Results.

  A Risk Management Plan ("RMP") has been approved for the Project Area that summarizes the types of contaminants present and the measures that must be taken before, during and after development in the area. Pursuant to the Memorandum of Agreement ("MOA") for Incremental Environmental Costs and Actions for Agency Affordable Housing Sites of the Owners Participation Agreement, the Master Developer is "responsible only for the incremental costs or acts required beyond the costs and actions that a developer would incur for development if Investigation and Response measures were not required." This language applies to all contaminants, including methane, which was suspected at lower levels on the Block 3E site. OCII will participate with the Sponsors to ensure the Master Developer's compliance with this MOA and their responsibilities to cover certain methane mitigation costs. Based on the results of the Phase I and II, methane is not present at the 3E site.

- Potential/Known Hazards.

  Soil contaminants currently exist in the Project Area and are assumed to exist at the site. The principal chemicals that have been detected in the Project Area are petroleum hydrocarbons and inorganic compounds (e.g. heavy metals). Additionally, asbestos was detected in the soil primarily from serpentine rock, which was imported to fill Mission Bay. No significant concentrations of Volatile Organic Compounds were detected in soil or groundwater. Limited concentrations of select volatiles such as benzene were found around the former petroleum storage facilities in the Mission Bay South Redevelopment Project Area, but are not expected to affect the site. None of the chemicals were detected at concentrations that would pose a threat to human health following the completion of the planned development in the Project Area.

  The developer has investigated the site for hazardous soils, and has discovered the presence of lead above both State and Federal thresholds for hazardous waste. The soil will be appropriately remediated if left onsite, and disposed of accordingly if offhauled. A Soil Management Plan that details handling of the soil has been prepared by the Sponsors' consultant, and the cost of remediation has been included in the project budget.

2.3. Soil Stabilization and Foundation Requirements

A Geotechnical Investigation was completed in December of 2015. That investigation indicated the presence of a continuous layer of liquefiable soil under the site, and the potential for lateral spread/major soil displacement toward San Francisco Bay in the event of an earthquake. The geotechnical engineer's original recommendation was that "stone columns" be spread throughout the site prior to construction start in order to prevent soil displacement. Stone columns are placed by drilling holes into the Bay Mud and then filling them with gravel/drain rock, to both create a barrier to soil displacement

and a method for water to flow through the site in an earthquake. The original recommendation was extensive and costly, and the Sponsors and design team subsequently requested further testing to determine the extent of the liquefiable layer, and the potential for scaling down the stone column scope. Based on the results of the supplemental investigation, the current plan includes a stone column "buttress" along the 3rd Street edge of the site only, to prevent soil from sliding toward San Francisco Bay.

In addition to this preconstruction work, the design and construction team has recommended an "indicator pile program" that would involve placing test piles on the site 2-3 months prior to construction start. Not only will this allow testing of the pile performance but also further refinement of the design and depth of the piles prior to ordering all of the piles. The team is planning to start both the stone column and indicator pile program on August 1, 2017. That work will be completed under a smaller contract with Nibbi Brothers prior to construction loan closing and the formal Notice To Proceed with construction.

2.4. Adjacent uses and neighborhood amenities. While the neighborhood amenities are specified in the Section 2 chart above, it is valuable to expand on the adjacent uses to provide greater context to the site's location. The Project site is located directly across from what is currently the San Francisco Giants' parking lot. This lot is slated to be developed by the Giants into the Mission Rock mixed-use development that encompasses 3.6 million square feet of residential, office, flex, parking and open spaces along with the restoration of pier 48. 1150 3rd Street will be located directly across the street from what will be the Giants' 9 – 10 story parking garage that will serve as the replacement parking for the current surface lots that will be developed. To the south of the future Mission Rock development is the City's new public safety building, which is the new police administrative headquarters, contains a relocated district police station, a new district fire station, and fleet vehicle parking. Directly south of the site is Mission Bay South Block 4 East, which is another OCII-controlled site that will be developed as affordable housing in the coming years.

2.5. Green Building.

Per the 60% Construction Documents specifications, the Project will, at minimum, achieve Green Point Rated's Gold status. Green Point Rated's requirements include sustainable improvements such as:

- Resource-efficient landscapes
- High-efficiency irrigation system
- Durable cladding and roofing materials
- Insulation with 30% post-consumer or 60% post-industrial recycled content
- WaterSense-labeled fixtures
- Sealed combustion units
- Whole building mechanical ventilation practices to improve indoor air quality
- Solar hot water and PV system
- Zero VOC interior wall and ceiling paints
- Cabinets and countertops exceeding CARB for formaldehyde emissions
- Environmentally preferable, low-emitting flooring
- Energy Star dishwashers and refrigerators
- CEE-Rated clothes washers
- High-efficiency lighting
- Bicycle storage

- Outperformance of Title 24 by 10%

The Project's green features will include but not be limited to the following elements:

- Inclusion of recycled content in materials, products and systems
- Wood products from sustainably harvested sources
- Special practices to ensure final project indoor air quality including final building flush-out
- A minimum of 65% of construction waste to be recycled
- Efficient use of construction resources and avoidance of scarce, irreplaceable and endangered resources
- Avoidance of materials that emit Volatile Organic Compound emissions
- Adherence to Eastern Neighborhoods Noise Mitigation Measure F-2
- Storm water pollution prevention plan to prevent storm water pollution during construction

3. OTHER ENTITLEMENTS ISSUES

3.1. Community Support.

After notification of its proposal selection, the team led by CCDC and STP presented the Project to the CAC at their meeting of September 10, 2015. The CAC supports the team led by the Sponsors to complete the Project. The Sponsors will provide the continue CAC with a design update prior to OCII committing its permanent gap financing.

The major stakeholders engaged in the project are the Mission Bay Community Advisory Committee (CAC) and the OCII Commission. Both have been involved in developer selection, program development, and design. Both the CAC and the OCII Commission voted unanimously to approve the selection of CCDC/STP as developer of the site in 2014. In July 2016, the CAC enthusiastically approved the schematic design. The OCII Commission also unanimously approved the schematic design of the building at their Commission meeting on October 18, 2016. This upcoming August staff will present the gap permanent loan and ground lease approval requests to the Commission.

Overall, the Commission appreciated the design and programming for the Project, however concerns raised by Commissioners included the amount of parking being provided for the project. To address this concern, CCDC/STP and staff have highlighted that while the overall parking ratio for the Project is 0.21 parking spaces for every one dwelling unit, the parking ratio relative to the family units is 0.44 parking spaces for every one family dwelling unit. Furthermore, there are multiple transit options available to Mission Bay residents. Providing less than 1:1 parking in OCII developments in Mission Bay and elsewhere in the City has proved to meet demand adequately.

4. DEVELOPMENT PLAN

4.1. Site Control.

OCII and the Sponsors will enter into a long-term ground lease prior to the start of construction.

4.1.1. Proposed Property Ownership Structure. FOCIL-MB, LLC ("FOCIL"), the actual owner of the Mission Bay Redevelopment Project , currently owns the Site.

Pursuant to the OPA, the site will be transferred at no cost to OCII for the development of affordable housing. The OPA requires a 100-day notice to FOCIL of the Agency's intent to exercise a Memorandum of Option transferring ownership of the site to the Agency. After FOCIL transfers the Site to OCII, OCII will ground lease the site to MB3E, L.P. Thus, OCII will retain ownership of the land until the project is transferred to MOHCD after the Project's permanent financing conversion, and the limited partnership will own the improvements.

4.2. Proposed Design.

The building is U-shaped and is essentially an assemblage of three distinct wings surrounding a central courtyard. Each wing fronts a street: the Long Bridge Street wing faces north, the 3rd Street wing faces east, and the Mission Rock Street faces south. The ground floor does contain a handful of residential units (3 family units in the Long Bridge wing and 2 veterans units in the Mission Rock wing), however most of the building's public functions are located here including the main lobby, mailboxes, public restrooms, the property management office, services offices, laundry rooms, bike parking, public vestibules, a community room and kitchen, a computer lab, a teen lounge room, and a multipurpose room. Those communal building spaces that primarily serve the veterans units are located in the veterans (Mission Rock) wing, whereas the spaces that serve the family units are located in the family (3rd Street and Long Bridge Street) wings.

The three residential wings are organized around a two-story central courtyard. The lower and upper courtyards are connected by a staircase, an accompanying ramp, and a landscaped berm. The ramp achieves the grade change by zigzagging up the elevation. The lower courtyard, which is adjacent to the common areas and program spaces, is geared towards large community activities and provides play spaces for children. The lower courtyard also includes a communal table and outdoor cooking area to promote large group gatherings. The upper courtyard is smaller than the lower courtyard; subsequently it focuses on smaller group activities. It is also directly accessible from the second floor of the building and will feature a community garden and seating.

The building is designed to facilitate a connection to community that many homeless veterans are lacking. Through clustering the veterans and family units in separate wings of the building that wrap around joint community spaces and a large central courtyard, there are numerous opportunities for interactions and friendships amongst veterans and families. At the same time, there are also opportunities for privacy, even within the communal spaces. Clustering the majority (all but the 12 studio units) of the veterans units in the Mission Rock wing enables the design team to incorporate universal design principles in this section of the building. The Sponsors have learned through their experience working with San Francisco's chronically homeless veterans that this population can be of poor health or disabled. Therefore, they have incorporated the universal design principles in the veterans wing so that residents there can age in place.

The Project includes an at-grade podium parking garage with controlled access parking for 25 vehicles including one ADA accessible space. Cars will enter and exit the garage from Mission Rock Street. The limited parking (overall ratio of 0.21 parking space:1 dwelling unit and a family unit parking ratio of 0.44 parking space:1 family dwelling unit) is in line with San Francisco's transit first policy which encourages residents to utilize public transit, car sharing, and bicycling, as well as recognizes the transit rich

location of the site. A Muni stop is located directly in front of the site on 3rd Street and the future central subway line will connect to the existing 3rd Street lines.

The building is Type V over Type I construction to minimize cost and the building's façade materials will be harmonious to the surrounding buildings. Green elements include optimal stormwater management, daylighting, durable materials, and a solar photovoltaic canopy system. The building will achieve a Green Point Rated standard of 125 points or better.

Avg Unit SF by type:	Studio avg. sf: 399 sf 1-bdrm avg. sf: 464 sf 2-bdrm avg. sf: 742 sf 3-bdrm avg. sf: 1,022 sf *Although the unit sizes may seem small, they all exceed the TCAC minimum area per unit size. Additionally, OCII staff and the MOHCD construction manager have reviewed the unit plans to ensure their livability.
Residential SF:	74,795 sf
Circulation SF:	35,065 sf
Parking Garage SF:	8,500 sf
Common Area SF:	5,840 sf
Building Total SF:	124,200 sf

4.3. Construction Supervisor/Construction Specialist's evaluation

Since the schematic design estimate was provided at the predevelopment loan evaluation request in December of 2015, the project design has completed its Design Development documents, upon which the current cost estimate is based. The Hard Costs presented in December 2015 have increased from $57,367,502 to $63,571,378 (both numbers are inclusive of the allowable hard cost construction contingencies), however, during this period, the number of units has also increased from 101 to 119, so the overall per unit cost has actually decreased from $567,995 per unit to $534,213 per unit. As noted in the predevelopment loan application, the estimate at that time was based upon very early assumptions, which have since been refined and clarified to establish more accurate costing information. Additionally, pursuant to MOHCD underwriting guidelines, the current estimate reflects certain design, plan check and bid contingencies as well as escalation to start of construction (currently anticipated to be November 2017). These contingencies appear to artificially inflate current costs, but are intended to manage and contain cost during the design, permitting and bidding process, which is particularly critical given the volatility in the current construction market. This current estimate, including contingencies reflects a set of assumptions for the hard cost that are within an appropriate range for the building type on a per square foot ($512 per sf) basis compared with other projects. However, the remaining Construction Document design process, which is expected to be responsive to the design review and constructability comments provided by the OCII Construction Representative, will further ensure that costs are appropriately managed. While the Project's hard cost per square foot is approximately $100/square foot higher than the other comparable projects it is expected that this

number will decrease significantly and come more in line with the comparable projects once the allowable contingencies are removed closer to construction start in the fall.

4.4. Commercial Space.

The development does not include any commercial space.

4.5. Service Space.

The Project's ground floor is primarily dedicated to property management and social services space. The southern side of the building is devoted to veterans' services, the northern side includes family and youth service spaces, and general community space is located in the middle section of the ground floor that connects the family and veterans wings of the building. The spaces are planned in such a way that the two populations have some privacy and separation, but also ample opportunity to come together as a community. The property management office spaces are all located on the eastern side of the building in between the veterans and family residential wings. This organization of the services spaces has been refined throughout the design process.

4.6. Target Population. (Further details on the Target Population and the Target AMI levels are included in Section 7.2 below.)

Formerly homeless veterans and low-income families.

4.7. Marketing & Occupancy Preferences

Early outreach, to be described in a Marketing Plan for the Project, will begin 30 days after the start of construction. At that time the Sponsors will notify the community of the upcoming residential opportunity at MBS 3E. Shortly thereafter, the Sponsors will contract with a third party to offer rental readiness workshops in an effort to diversify the populations living in these affordable housing units. In their outreach efforts the Sponsors will provide advertising content indicating where and when prospective tenants can obtain applications and will provide as much information as is feasible to describe the procedure for submitting an application. Marketing advertisements will be done for at least a 60-day period prior to unit availability, and will run at least twice per month during the marketing period.

Advertisement notices will be sent to the Mission Bay Citizen's Advisory Committee ("MB CAC"), neighborhood-based non-profit housing corporations, and other housing advocacy organizations serving low-income individuals, disabled adults, and others likely to be eligible for housing units, and will also be advertised through media outlets (i.e., local newspapers, community-oriented radio and the internet). Notices will be posted at CCDC's Property Management office located at 1525 Grant Avenue, other buildings managed by the Sponsors and their respective websites. In compliance with the Mission Bay signage requirements, banners will be placed on the exterior of the property, construction site, and temporary leasing offices.

The Sponsors will adhere to the OCII and MOHCD marketing notification requirements. Additionally, the Sponsors will work with MOHCD to notify Agency Certificate of Preference ("COP") holders and others on interested mailing lists. Applications for housing will be made available to the public along with as much information as possible regarding income and program requirements.

A total of no less than two community information sessions will be held to inform and

answer questions about the eligibility requirements, preferences for selections and lottery processes.

Per the Mission Bay Affordable Housing Policy, adopted September 17, 1998 by Resolution 194-98, the Sponsors will be required to give occupancy preference to Agency COP holders. In accordance with OCII funding requirements and HCD/VHHP funding requirements, preference shall be given to the following order for all eligible applicants: 1) holders of former Redevelopment Agency Certificates of Preference followed by 2) San Francisco residents or San Francisco workers.

Outreach for the veterans units will be managed by two entities. For the HUD-VASH units, STP will ensure continuous outreach to the VASH Housing Operations Group. This group consists of VASH staff that work directly with veterans in the housing search process. They use a by-name list of veterans eligible for VASH within the City and County of San Francisco. This group prioritizes veterans based on acute needs. VASH staff will make direct referrals for these units in coordination with STP to ensure veterans referred meet the criteria for the building.

For the LOSP units, all referrals will come through the City and County of San Francisco's Coordinated Entry Team ("CE") and the Department of Homelessness and Supportive Housing ("HSH") staff. CE prioritizes veterans in terms of length of time homeless. STP will work in collaboration with CE and HSH, as we currently do for admissions to our other existing properties, to ensure referrals meet the requirements of the building. Using these two sources for marketing and lease ups have ensured that the most vulnerable veterans are targeted for Supportive Housing units.

Although OCII has authorized applying an Ellis Act Housing Preference ("EAHP") to OCII-sponsored affordable housing developments, that preference is not permitted for projects with HCD funding such as VHHP. Because MBS 3E includes VHHP, EAHP will not apply.

In addition, the City has recently replaced the Ellis Act Housing Preference with the Displaced Tenant Housing Preference ("DTHP"). DTHP is also not allowed in projects receiving HCD funding. Even if the OCII Commission authorizes DTHP to be applied to OCII projects, it would not be applied at MBS 3E.

- Preferences:

	VETERANS UNITS		**FAMILY UNITS**
	Applicant Category		Applicant Category
1	Formerly homeless veteran Certificate of Preference holders	1	Certificate of Preference holders
2	Formerly homeless veterans	2	San Francisco Residents or Workers
3	Very low-income veteran Certificate of Preference holders		
4	Very low-income veterans		

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	**Name**	**SBE/LBE**	**Outstanding Procurement Issues**
Project Manager	Kim Piechota, CCDC	N	N
Architect	Leddy Maytum Stacy	N	N
Landscape Architect	GLS	Y	N
JV/other Architect	Saida Sullivan	Y	N
General Contractor	Nibbi Brothers	N	N
Owner's Rep/Construction Manager	Design Studios Gonzalo Castro	Y	N
Financial Consultant	California Housing Partnership Corporation	N	N
Legal	Gubb and Barshay	N	N
Property Manager	CCDC/STP	N	N
Services Provider	STP	N	N

5.1. Outstanding Procurement Issues.

There are no outstanding procurement issues at this time. The Developer shall comply with the OCII's Nondiscrimination in Contracts, Minimum Compensation and Health Care Accountability policies and has worked closely with contract compliance staff to comply with the Small Business Enterprise ("SBE") Program on the Project. To date, the Developer has met OCII's 50% SBE goal and has achieved 51.3% SBE (43.2% SF-SBE, 14.8% MBE and 9.5% WBE) for professional services consultants.

During the construction phase of this project, the Developer is committed to meeting the OCII requirements and goals, which include the 50% SBE construction subcontracting participation goal, payment of prevailing wages and the 50% local construction workforce hiring goal. As part of their predevelopment work, the Developer selected Nibbi as their general contractor for predevelopment activities including preliminary pricing of early Schematic Design drafts and constructability analysis of the building.

As stated earlier, the Developer will also contract with Nibbi to serve as the general contractor for the construction of the project pending agreement on the fixed limit of construction costs expected later this year. In an effort to stimulate greater small business, minority and women contractor participation in the development and construction of OCII's projects, staff has pursued opportunities with the Developer and Nibbi to encourage joint venture relationships between the general contractor, potential subcontractors, and small businesses both at a prime and subcontract level.

With a firm understanding of OCII's SBE Program objectives of fostering SBE capacity building, the Developer and Nibbi have agreed and are cooperating with OCII to explore breaking out scopes of work for potential joint venture opportunities with local SBEs. Potential scopes include certain construction work, such as concrete and overall project management. Discussions between staff, the Developer and Nibbi are continuing as construction bids are not anticipated to be solicited until August 2017 and construction is not expected to commence until the third quarter of this year.

6. FINANCING PLAN (See Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

6.1. Prior OCII Funding (this project and historical for the project):

The Citywide Loan Committee approved a $2.5MM predevelopment loan on December 18, 2015. Following the Loan Committee's approval the OCII Commission approved the predevelopment funding at its February 16, 2016 meeting. As is the OCII practice, the predevelopment loan will roll into the permanent loan for an aggregate loan total of $20,593,600.

6.2. Disbursement Status.

Loan Type/Program	Loan Date	Loan Amount	Interest Rate	Maturity Date	Repayment Terms	Outstanding Principal Balance	Accrued Interest to Date
OCII	2/16/2016	$2,500,000	3.00%	Total amount will be rolled into OCII's perm. loan to the Project	Cash Flow	$944,200	$22,405
Total		$2,500,000				$944,200	$22,405

As of June 6, 2017, a total of $944,200 is remaining. The Sponsors are on pace to exhaust the predevelopment funds by the construction loan closing, at which point the permanent loan funds will begin being dispersed.

6.3. Fulfillment of Predevelopment Loan Conditions.

- Sponsors will seek a construction manager with Mission Bay area multifamily residential construction experience. *Status: completed.*
- Sponsors will apply for AHSC and AHP program funds in an effort to reduce OCII's gap loan amount. *Status: completed (AHSC is not applicable and AHP has been awarded).*
- Sponsors will apply for VASH vouchers in an effort to reduce the need for LOSP to subsidize operating deficit stemming from the maintaining the deep affordability of the veterans units. *Status: completed; vouchers secured.*
- Sponsors will maximize VHHP, AHSC, and VASH by fully reviewing and analyzing each program's requirements. *Status: completed. The Sponsors did apply for AHSC funds, but were unsuccessful in securing an award. The next AHSC funding round does not coincide with the Project's current schedule. The Sponsors did secure VHHP and VASH funding awards.*
- In the General Contractor procurement process, the Sponsors will evaluate proposals based on their ability to minimize the construction period to 20 months or less. *Status: completed.*
- Sponsors will commit to increase the capitalized operating reserve to a six-month period in the permanent sources by uses. *Status: completed.*
- Sponsors will work with OCII and MOHCD staff to establish an agreed upon year one operating budget. *Status: in process.*
- Given that the Sponsors' current hard cost estimates exceed recent comparable MOHCD/OCII projects, prior to a gap financing request they must demonstrate an effort and specify means and methods to contain the development costs at an acceptable per unit level. In an effort to attain this goal, the Sponsors will take an

interim step to meet with OCII staff and MOHCD construction manager to review 50% Construction Documents and the commensurate cost estimate. *Status: in process.*

- Sponsors will ensure that gap commitment request cash flow proforma debt service coverage ratio aligns with MOHCD underwriting guidelines. *Status: completed.*

6.4. Proposed Permanent Financing

6.4.1. Permanent Sources Evaluation Narrative:

- OCII Gap Loan: The current budget assumes an OCII subsidy of $20,593,600 (or $173,055 per unit), which will be used during predevelopment and construction. The projected OCII subsidy is significantly less (nearly $77,000/unit less) than 626 Mission Bay Boulevard North (Mission Bay South Block 6 East) on a per unit basis. Furthermore, OCII's subsidy to the Project is nearly $47,000/unit less than the comparable MOHCD/OCII family developments in the predevelopment phase and approximately $41,000/unit less than the comparable MOHCD/OCII family developments that are completed, in construction, or in predevelopment. Still, 1150 3rd Street does exceed the relative comparable MOHCD/OCII developments on a per square foot basis by $75/sf when compared to comparable projects in predevelopment, and by $116/sf when compared to all comparable projects that have been completed, are under construction, or are in predevelopment. This high cost factor is largely due to an expensive foundation for the Project that requires driving support piles 260 feet deep to bedrock to support a 5-story building. Additionally, these hard cost numbers are inflated as the budget still includes multiple contingencies that will be removed after certain milestones are achieved.

- VHHP Program: The Sponsors applied for the allowable maximum VHHP award request of $10MM from the state of California for the Project. That $10MM in VHHP funding has been secured for the veterans units, amounting to $161,290/unit for the 62 veterans units, with units restricted at 30% AMI. The program mandates that the funding comes into the Project after construction completion. Also, the program requires that for the first 30 years of the loan recipients must make annual payments in the amount of 0.42% of the outstanding principal loan balance. Since the outstanding loan balance is sized at $10MM, 0.42% amounts to $42,000, and this annual payment is reflected in the Developer's operating budget.

- AHP: At $1,500,000 the Sponsors maximized the competitive scoring for this funding source by setting the per unit subsidy at $12,711.86/unit and by providing housing for the homeless. This funding was awarded to the Project earlier this month.

- Low Income Housing Tax Credits: The Sponsors have assumed a LIHTC equity credit value of $0.95 for the federal credit. Given the current LIHTC environment, the Sponsors have reduced their original assumptions from their RFP response ($1.15) around credit pricing to what they and their financial consultant believes is a conservative estimate. The Sponsors are

about to begin outreach to a limited pool of investors this month in order to secure that partner well in advance of closing.

- Tax-Exempt Loan: The Sponsors have projected a tax-exempt construction loan at $51MM, using a 4.24% interest rate (a conservative rate chosen to account for strong projections for rate increases in the market; OCII has received much lower rates for recent projects). This allows the Project to comfortably meet the 50% test. After construction completion and 3 months of stabilized operations, the loan will convert to a permanent loan of roughly $14.2MM at 5.2% for 30 years, similar to other deals CCDC has recently financed. The tax-exempt loan is supported entirely by non-LOSP revenue.

- GP Capital Contribution: The Sponsors assume a capital contribution of $1.11MM to the Project that will leverage additional tax credit equity.

6.4.2. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Hard Cost per unit are within standards	N	$534,213/unit $331,101/bedroom $512/sf The MOHCD/OCII current hard cost averages are $505,864/unit and $290,221/bedroom for comparable family projects of similar construction type. So, Block 3E's 100% Design Development cost estimate averages of $534,213/unit and $331,101/bedroom do exceed the hard cost norms of other family projects in the MOHCD/OCII portfolio. Much of the high cost associated with the Project stems from an extremely expensive foundation system. As mentioned in the financing narrative above, the building will be supported by steel piles that will be driven to bedrock at a depth of 260 feet down. The depth of these piles goes deeper than any market rate or affordable housing development in the Mission Bay South Redevelopment project area. Given that the building is only 5 stories tall (limited by the zoning) the Project is delivering the maximum number of units and therefore no additional units can be added to achieve greater economies of scale for the foundation cost.

		Additionally, OCII sought an exterior building skin with a higher end finish material for the 3rd Street façade. It features Swisspearl integrally colored cement composite panels, which are more expensive than other possible materials. Additionally, OCII desired a sustainable building and the Sponsors and design team responded by incorporating a solar photovoltaic canopy that crowns the 3rd Street façade. Both of these features drive the overall hard costs higher.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5%. The development budget also includes a 5% Bid Contingency that will be removed 30 days prior to construction start; a 5% Design Contingency that will be removed at 100% Construction Documents (the project is currently at 60% Construction Documents); a 5% Plan Check Contingency that will be removed at receipt of plan check comments on the building permit and major addenda. Finally, the development budget presented here still includes an escalation contingency amounting to $1.9MM to cover the Project in the event of any schedule delays preventing construction from starting this fall 2017.
Architecture and Engineering Fees are within standards	Y	At $2,674,756, the total A & E fees are within the guidelines for projects of similar size and cost. The total A & E sum represents less than 4% of construction costs.
Construction Management Fees are within standards	Y	At $140,000, the construction management fees are well below the MOHCD underwriting guidelines threshold allowing for a maximum of $3,500 per month during preconstruction and $5,000 per month during the construction period. Thus far the Sponsors' owner's representative has worked approximately 15 months in preconstruction with another 5 months until construction close and the construction period is estimated at 22 months.
Developer Fee is within standards, see also disbursement chart below	Y	CCDC and STP show the following dev. fee breakdown: Total Cash Out in PM period: $1.4MM Additional $2.1MM contributed as: $990K in Deferred Fee $1.11MM in GP Equity For a total dev. fee of: $3.5MM

Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is currently at 6.8% because the Sponsors have completed much of the soft cost related work.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to just under 6 months of operating costs.
Capitalized Replacement Reserves are a minimum of $1,000 per unit (Rehab only)	N/A	N/A since this is a new construction project

Developer Fee Cash Out Disbursement Schedule		
Payment Milestone	**% of Project Mgmt. Fee**	**Amount**
At ENA execution/closing of preconstruction financing	15%	**$180,000**
During Predevelopment (with no more than 35% of the total PM fee being disbursed prior to construction closing). See Section 10.3 for detailed breakdown of predevelopment developer fee milestones.	35%	**$420,000**
Construction Closing	20%	**$240,000**
Construction 50% Complete	10%	**$120,000**
During or at End of Construction	10%	**$120,000**
At Project Close Out	10%	**$120,000**
Total Project Management Fee	100%	**$1,200,000**
At Risk		**$200,000**
Total Cash Developer Fee		**$1,400,000**
GP Equity		**$1,110,000**
Deferred Developer Fee		**$990,000**
Total Developer Fee		**$3,500,000**

7. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)

7.1. Annual Operating Budget. See operating budget in the attached proforma.

7.2. Income

Unit Type	Current Number of Units	Curr. Avg. Sq. Feet	Average Current Rent	Proposed Number of Units	Proposed Avg. Sq. Feet	Max. Rent	Max % AMI	Target AMI	Rent or Operating Subsidies
Studio	2	399	$200	2	399	$558	60%	30%	LOSP
Studio	10	399	$633	10	399	$691	60%	30%	HUD-VASH

1BR	5	460	$200	5	460	$638	60%	30%	LOSP
1BR	45	460	$671	45	460	$740	60%	30%	HUD-VASH
1BR	3	507	$1,085	3	507	$1,099	60%	50%	None
1BR	2	507	$1,315	2	507	$1,329	60%	60%	None
2BR	19	742	$1,205	19	742	$1,225	60%	50%	None
2BR	11	742	$1,463	11	742	$1,483	60%	60%	None
3BR	11	1,022	$1,311	11	1,022	$1,334	60%	50%	None
3BR	10	1,022	$1,600	10	1,022	$1,623	60%	60%	None
4BR									
Total Units	118	629	$959						

7.3. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Debt Service Coverage Ratio is between minimum 1.10:1 and maximum 1.15:1 at year 15	N	DSC of all debt is 1.14 in Y1 and 1.25 in Y15, which exceeds the maximum allowed by our underwriting guidelines. The Sponsors will be required to explore leveraging greater debt, which would reduce OCII's gap loan commitment but also should reduce the debt service coverage ratio to a more appropriate value.
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 17-year cash flow	Y	DSC does not go below 1.00:1 in year 17. Instead, the DSC ratio in year 17 is 1.25:1.
Vacancy meets TCAC Standards	Y	Vacancy rate is 5% for both the non-LOSP units and LOSP veterans units.
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5% for the 7 LOSP veterans units and 2.5% for the 112 non-LOSP veterans and family units.
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses in the preliminary budget are $10,911 per unit, which is high relative to other projects that do not serve homeless. However, given that slightly more than half of the Project's units will house former homeless residents it includes 24-hour desk service. This level of desk service is appropriate in light of the mixed population occupying the building.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is $85,680 annually or $60PUPM, which maximizes the allowable fee per HUD's most current published schedule. For this type of development, HUD permits property

		managers to charge a basic rate of $52 + $3 for projects owned by nonprofits + $5 for projects utilizing Project Based Section 8 vouchers, or in this case, VASH vouchers.
Property Management staffing level is reasonable per comparables	Y	Staffing levels assume 1 FTE property manager, ½ FTE assistant property manager, 1 FTE maintenance staff person, and 24/7 desk clerk coverage (as specified in the RFP). Additional maintenance and janitorial services will be staffed through contracts.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is $15K/yr. (above the line) Annual PM Fee is $21,649/yr. *VHHP restricts projects to a combined AM and PM fee. The PM fee shown here aligns with what VHHP allows below the line.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Proforma shows no capitalized Replacement Reserve sum as that reserved is funded through deposits in operation.
Limited Partnership Asset Management Fee meets standards	Y	The LP Asset Management fee meets the standards with an annual amount of $5,000

SUPPORT SERVICES

7.4. Services Plan.

The Sponsors will jointly provide services at 1150 3rd Street. CCDC has extensive experience providing services to families, youth, seniors and new immigrants, while STP is known for its "wrap around" services for veterans. The team will collectively use a harm reduction approach and both Sponsors believe that residents have a right to participate or decline services. However, they will encourage residents to take advantage of available services that are intended to create positive change in their individual, family and community lives. The services program for 1150 3rd Street is designed with the following goals in mind:

- Help residents develop skills to be resilient and live independently,
- Retain housing,
- Establish positive relationships with other residents,
- Engage in a healthy and vibrant community, and
- Prepare youth to achieve their educational goals and demonstrate leadership amongst their peers.

STP's Veterans Program Manager and Case Manager will work together to direct care to the veterans living at the property, as well as any veterans living in the family units. CCDC staff will focus service provision for the 56 families. The CCDC/STP services team will work together to create an integrated community at 1150 3rd Street. Regular meetings between the joint services staffs and CCDC's property management staff will ensure that any issues that arise at the property are fully addressed.

The Sponsors' respective services staff will implement a Joint Resident Engagement and Outreach Strategy that includes (1) door-to-door outreach to new residents within 15

days of move in; (2) engaging with residents through natural interactions in the building to invite them to events or advertise available services; (3) hosting drop-in hours for residents; (4) encouraging residents to invite other residents to participate in activities; (5) providing resident leadership and development trainings; and (6) establishing a resident council to help plan community programs. In addition, the services team will provide translations for non-English speaking residents in order to create a more inclusive environment.

Services Staffing for both Sponsors is detailed below:

CCDC

- 1 FTE Resident Services Coordinator

STP

- 2.16 FTE Case Manager/Program Manager/Peer Support,
- 1.0 FTE Veterans Program Manager,
- .08 FTE HMIS Administrator, and
- .10 FTE Resident Services Coordinator

The staffing levels detailed above for both CCDC and STP amount to a total services staffing ratio of 1 services staff: 28 units. Looking specifically at the staff servicing the veterans units the staffing ratio is 1 services staff: 19 veterans (units).

As discussed in Section 4.7 above, STP will work with the VASH Housing Operations Group to refer formerly homeless veterans for the 55 VASH-supported units. Also, HSH envisions referring their Tier V category of formerly homeless veterans for the 7 additional LOSP-supported units. The Tier V classification refers to the most chronically homeless veterans with the greatest needs. For this classification level of formerly homeless veterans HSH will provide $4,609 in costs per unit per year to support the veterans units.

7.5. Service Budget.

Income Source/Program Name			Amount	Type	Status
VASH			$150,000	In-kind	Not Committed
CoC			$38,365	In-kind	Not Committed
Project Operations			$285,988	Cash	Intend to Fund or Provide
Total Revenue:			**$474,353**		
Expense Item			**Amount**	**Type**	**Status**
Staff Salaries: **List by title of position. (This list must match the Staffing Chart above.)**					
HMIS Administrator	FTE:	0.08	$5,846	Cash	Intend to Fund or Provide
Case Mgr/Program Mgr, Peer Support, Community Organizer	FTE:	2.16	$141,914	Cash	Intend to Fund or Provide
Case Manager	FTE:	1.00	$150,000	In-kind	Not Committed
Resident Services Coordinator (serving Veterans exclusively)	FTE:	0.10	$7,500	Cash	Committed
Resident Services Coordinator (serving Veterans and Family units)	FTE:	1.00	$67,500		
Fringe Benefits			$44,328	Cash	Intend to Fund or Provide
Total Staff Expenses			**$417,088**		
Tenant Transportation			$2,500	Cash	Intend to Fund or Provide
Equipment					
Supplies			$5,000	Cash	Intend to Fund or Provide
Travel			$3,000	Cash	Intend to Fund or Provide
Office Rent/Occupancy Costs (don't include rent/leasing costs for SH units)			$7,000	Cash	Intend to Fund or Provide
Training			$1,000	Cash	Intend to Fund or Provide
Consultants: List by Function					
Subcontractors/Partners (list by Entity & Service Type)					
Flexibel Spending-Direct Tenant Support			$4,000	Cash	Intend to Fund or Provide
Program Supplies (For Activities, classes, workshops)			$7,000	In-kind	Intend to Fund or Provide
Overhead /Administrative			$27,765	Cash	Intend to Fund or Provide
Total Expenses			**$474,353**		

7.6. DPH/HSA Assessment of Service Plan and Budget.

HSH staff reviewed the proposed services for this site this June 2017, with particular attention to the services for homeless veteran households. Based on the assumed VASH allocation, we believe that services provided directly from the VA will comprise the majority of the staffing needed to meet the HSH Tier 5 requirements described. However, HSH will work closely with CCDC, Sword to Plowshares, and the VA as the project progresses, planning to allocate funding for the uncovered balance of needs for units reserved for homeless households, including the non-VASH Continuum of Care ("CoC") units.

8. THRESHOLD ELIGIBILITY REQUIREMENTS

Pursuant to the RFP dated April 23, 2015, minimum threshold requirements were set forth, including:

- Development Concept and Financing
- Applicant Description
- Developer Experience and Capacity
- Architect Experience and Capacity
- Property Management Experience
- Social Service Provider Experience

Upon receipt of the submittals to the RFP, OCII staff verified the completeness of each submittal. All three respondents to the RFP satisfied the minimum requirements for review and consideration.

9. RANKING CRITERIA

POINTS		CRITERIA
50		**Proposed Development Concept**
	20	Proposed Massing Concept: strength and constructability of proposed massing concept, number of units, conformance with the Redevelopment Plan, Major Phase, and the Design for Development
	15	Financial Feasibility & Level of OCII Subsidy
	10	Proposed Services Plan
	5	Proposed Marketing Plan
50		**Developer Team Experience and Capacity**
	10	Developer experience in developing and marketing affordable housing *comparable* to the housing proposed in this RFP
	5	Developer experience with government assisted affordable housing programs and financing sources and/or "green" housing; Developer Workload Capacity

	5	Workforce and Contracting Action Plan
	10	Architect experience & capacity, including "green" housing
	10	Service Provider experience & capacity
	10	Property Manager experience & capacity, including retail operation
100	100	**Total Points**

The proposal submitted by the CCDC/STP team was selected because it was most consistent with the criteria described in the RFP. It was selected because of its strong fundamentals, including a feasible financing plan intended to minimize the required subsidy from OCII; architecture team with relevant experience; and core services provider with whom the RFP evaluation panel believed was best equipped to serve the needs of the veteran population.

10. STAFF RECOMMENDATIONS

10.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount:	$20,593,600
Loan Term:	55 years
Loan Maturity Date:	2072
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	0 – 3% simple interest. In the event that it is necessary to conform to the true debt analysis for the satisfaction of the investor and lender the OCII loan interest rate may be reduced to a rate as low as 0% subject to approval from the Director of MOHCD and the Executive Director of OCII. This will be vetted and finalized prior to construction close.

10.2. Recommended Disbursement Conditions/Schedule

- Assuming the Project does not experience significant hard cost increases as a result of pricing estimates at Construction Drawing completion, Construction Document bid by the General Contractor, final plan check of all addenda, or any significant schedule delay preventing the Project from beginning construction in fall 2017, all remaining contingencies including the 5% Design Contingency, 5% Bid Contingency, 5% Plan Check Contingency, and the 3.5% Escalation Contingency will be eliminated from the Project budget. OCII's subsidy to the Project will be reduced in line with the total value of the eliminated subsidies.
- Sponsors will commit to adding a 3-month capitalized operating reserve to Final Financial Plan development budget.
- Sponsors will work with OCII and MOHCD staff to establish an agreed upon year one operating budget, including the amount of services costs to be funded from operations, if any.

- Sponsors will ensure that gap commitment request cash flow proforma debt service coverage ratio aligns with MOHCD underwriting guidelines and consider increasing the permanent loan amount. Additionally, if HSH determines it can subsidize the Supportive Services expenses that the Sponsors are showing being funded through operations, the Sponsors will pursue a larger permanent tax-exempt loan to reduce OCII's gap loan to the Project.
- If in the future the Supportive Services provider(s) and HSH advise that additional services staff are needed to adequately support the Project, and that the cost of any additional services staff should be funded from project operations, OCII will have decision-making authority over the approval of the addition of supplemental services staff.
- Given that the Sponsors' current hard cost estimates exceed recent comparable MOHCD/OCII projects, prior to a gap financing request they must demonstrate an effort and specify means and methods to contain the development costs at an acceptable per unit level. To attain this goal, the Sponsors will take an interim step to meet with OCII staff and MOHCD construction manager to review the Construction Documents prior to releasing the general contractor to bid the Project.
- Sponsors will continue to work with OCII staff to refine the construction and permanent budgets to assure maximum debt leveraging, while retaining a reasonable OCII subsidy contribution.
- Sponsors will provide the Request for Proposals of a LIHTC investor to OCII for review and approval prior to releasing the solicitation.

11. LOAN COMMITTEE MODIFICATIONS

11.1 Additional Disbursement Condition(s)

- Prior to the construction loan closing, the Sponsors will apply for Continuum of Care funding through HSH in the fall 2017.

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 6/23/17

Kate Hartley, Acting Director
Mayor's Office of Housing and Community Development

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 6-23-17

Kerry Abbott, Deputy Director for Programs
Department of Homelessness and Supportive Housing

[✓] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

Date: 6-23-17

for

Nadia Sesay, Interim Executive Director
Office of Community Investment and Infrastructure

Attachments:
A. Project Milestones/Schedule
B. Borrower Org Chart
C. Developer Resumes
D. Asset Management Analysis of Sponsor
E. Site Map with amenities
F. Elevations and Floor Plans, if available
G. Comparison of City Investment in Other Housing Developments
H. Sources and Uses
I. Development Budget
J. 1st Year Operating Budget
K. 20-year Operating Pro Forma

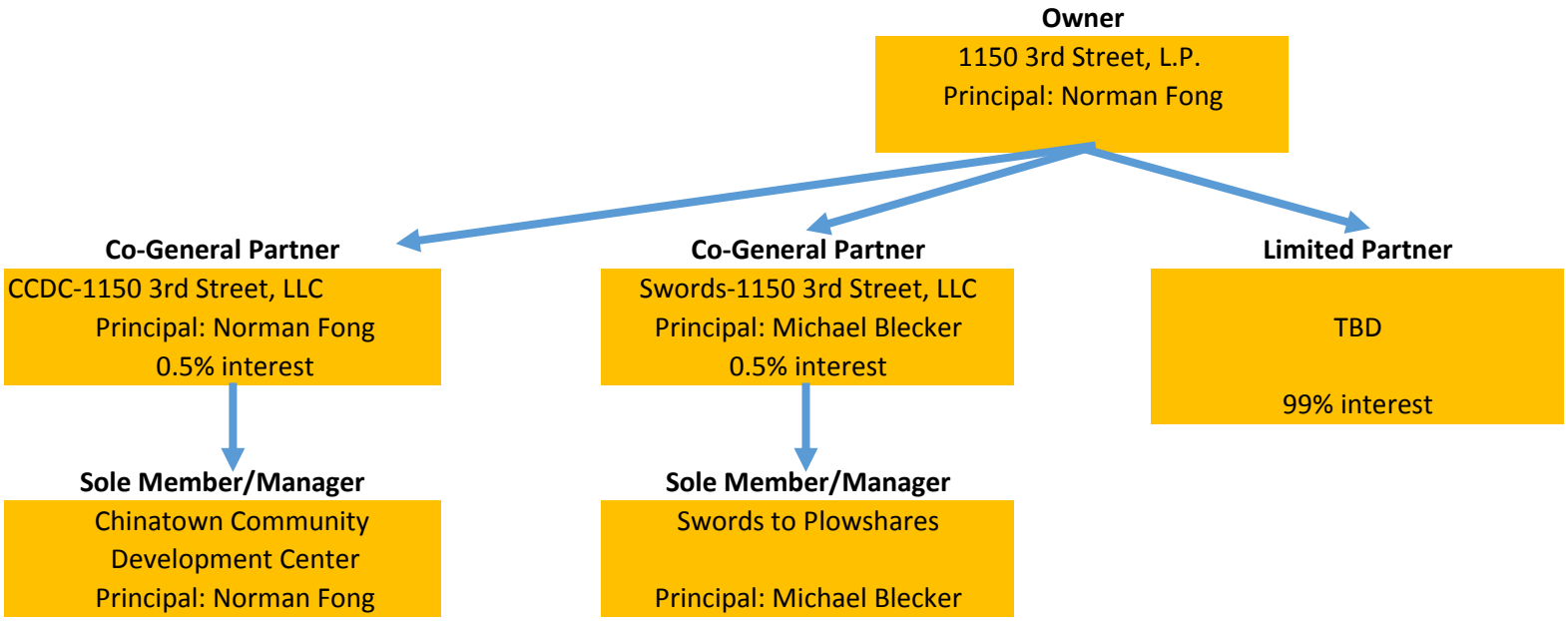
Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
1	Acquisition/Predev Financing Commitment	Completed	
2.	Site Acquisition	OCII responsibility	OCII responsibility
3.	Development Team Selection		
a.	Architect	Completed	
b.	General Contractor	Completed	
c.	Owner's Representative	Completed	
d.	Property Manager	Completed	
e.	Service Provider	Completed	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	Completed	
b.	Submittal of Design Development & Cost Estimate	Completed	
c.	Submittal of 50% CD Set & Cost Estimate	6/20/17	8/20/17
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	7/1/17	9/1/17
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	Completed	
b.	NEPA Environ Review Submission	Completed	
c.	CUP/PUD/Variances Submission	N/A	
6.	Permits		
a.	Building / Site Permit Application Submitted	Completed	
b.	Addendum #1 Submitted	7/17/17	9/17/17
c.	Addendum #2 Submitted	7/18/17	9/18/17
7.	Request for Bids Issued	8/1/17	10/1/17
8.	Service Plan Submission		
a.	Preliminary	9/6/17	11/6/17
b.	Interim	5/7/18	7/6/18
c.	Update	1/7/19	3/8/19
9.	Additional City Financing		
a.	Predevelopment Financing Application #2	N/A	

b.	Gap Financing Application	6/23/17	8/23/17
10.	Other Financing		
a.	AHSC Application	Completed	
b.	Construction Financing RFP	7/17	
c.	AHP Application	Completed	
d.	CDLAC Application	Completed	
e.	TCAC Application	Completed	
f.	HUD VASH Voucher Application	Completed	
g.	VHHP Application	Completed	
11.	Closing		
a.	Construction Financing Closing	11/1/17	1/2/18
b.	Permanent Financing Conversion	5/1/20	8/1/20
12.	Construction		
a.	Notice to Proceed	11/15/17	12/15/17
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion (22 mos. following construction start)	9/2/19	10/2/19
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	12/15/17	12/15/17
b.	Commence Marketing	3/15/18	3/15/18
c.	95% Occupancy	11/2/19	3/2/20
14.	Cost Certification/8609	8/2/20	12/2/20
15.	Close Out MOH/OCII Loan(s)	8/2/20	12/2/20

Attachment B: Borrower Org Chart

1150 3rd Street, L.P., Organizational Chart
11/17/2015



Attachment C: Developer Resume

Chinatown Community Development Center
華協中心

Whitney Jones

Director of Housing Development

EDUCATION

1987 **Master of Arts, Geography (Urban Emphasis)**
University of California, Berkeley

1983 **Bachelor of Arts, English (Creative Writing Emphasis)**
University of Kansas

PROFESSIONAL EXPERIENCE

10/2006—present **Director of Housing Development**
Chinatown Community Development Center | San Francisco, CA

Responsible for oversight of all affordable housing developments, supervising housing development staff, site acquisition/negotiation, devising housing strategy/budget for organization, participation on senior management team, reporting to Board, representing Chinatown CDC in housing coalitions, at community meetings, and in funder/government agency discussions.

1995—10/2006 **Senior Project Manager / Project Manager**
Chinatown Community Development Center | San Francisco, CA

Responsible for all activities related to selecting, securing and purchasing affordable housing projects as well as supervising other project managers and providing technical assistance on an as-needed basis. Locate potential projects, perform feasibility analyses, create budgets for development and operations, investigate and secure funding, oversee development team, manage rent-up process, and ensure smooth transition to long-term operations. Report to funders, Board, and supervisors on project status. Acquired, rehabilitated, and developed 884 affordable housing units; secured $142.3m in funding from sources including LIHTC, HUD 202, HUD 811, HUD 236 IRP, RDA, HOME funds, local Hotel Tax funds, AHP, MHP

1992—1994 **Assistant Project Manager / Development Administrative Assistant**
Chinatown Community Development Center | San Francisco, CA

Assisted prime development staff working on new construction 175 unit 9% tax credit family project and 63 unit 9% tax credit new construction senior project. Assumed project management responsibilities for a 49 unit acquisition project using local HOME funding, foundation grant, conventional loan ($5M). Negotiated purchase, secured funding, oversaw moderate rehabilitation, managed rent-up, and reported to Board and funders.

2/1988—9/1990 **Administrative Assistant / Office Manager**
Telesis Corporation | Washington, DC

4/1988—4/1990 **Administrative Assistant**
National Housing Trust | Washington, DC

PROFESSIONAL AFFILITATIONS

5/2014—present **Member, Board of Directors**
Mission Economic Development Agency | San Francisco, CA

Chinatown Community Development Center
華協中心

KIM PIECHOTA

Project Manager

EDUCATION

5/1996 **Master of City Planning**
University of California, Berkeley

3/1993 **Bachelor of Sciences, Applied Behavioral Sciences (Community Development Emphasis)**
University of California, Davis

PROFESSIONAL EXPERIENCE

5/2009—present **Project Manager**
Chinatown Community Development Center | San Francisco, CA

Selected projects:

Veterans Commons | 76 units adaptive re-use | 150 Otis, San Francisco
Broadway Sansome Apartments | 75 units new construction | 255 Broadway, SF
Ping Yuen North Public Housing | 200 units occupied rehabilitation | 838 Pacific, SF

9/2003—3/2009 **Development Consultant**
Citizens Housing Corporation | San Francisco, CA

Provided development services and service planning/implementation; obtained project financing, managed consultants and development team members, created service plans for senior housing communities, and managed transition from planning to operational phase. Managed two senior rental housing development projects in their final stages of development: a 114-unit service-enriched development in the city of San Bruno, and a 40-unit adaptive re-use project in the Haight Ashbury neighborhood of San Francisco

5/1999—9/2002 **Project Manager**
Citizens Housing Corporation | San Francisco, CA

Projects included a 54-unit assisted living facility in San Francisco, a 30-unit transitional housing project on Alameda Point Naval Air Station, a 50-unit development combining senior and family housing in Mill Valley, a 40-unit senior development in San Francisco involving historic preservation, and a 98-unit special needs/transitional housing development in San Francisco

8/1996—4/1999 **Project Manager**
NCB Development Corporation | Oakland, CA

Managed all phases of the development of affordable assisted living projects throughout the U.S. for "The Coming Home" program, a pilot project funded by the Robert Wood Johnson Foundation to create models of affordable assisted living in rural communities

10/1995—1/1996 **Research Assistant**
Institute for Urban and Regional Development | Berkeley, CA

Managed all phases of the development of affordable assisted living projects throughout the U.S. for "The Coming Home" program, a pilot project funded by the Robert Wood Johnson Foundation to create models of affordable assisted living in rural communities

Chinatown Community Development Center
華協中心

PRESTON LAM

Assistant Project Manager

EDUCATION

12/2008 **Bachelor of Arts, Urban Studies and Planning (Urban Design Emphasis)**
University of California, San Diego

PROFESSIONAL EXPERIENCE

5/2014—present **Assistant Project Manager**
Chinatown Community Development Center | San Francisco, CA

Selected portfolio rehabilitation projects:

Notre Dame Apartments | 201 units senior housing | 1590 Broadway, San Francisco
St. Claire Residence | 40 units family housing | 585 Geary, San Francisco
Golden Gate Apartments | 72 units family housing | 1820 Post, San Francisco

5/2011—5/2014 **Housing Coordinator**
Brilliant Corners (formerly West Bay Housing Corporation) | San Francisco, CA

Primary responsibilities include expanding and managing a portfolio of more than 40 scattered-site supportive housing units for people with intellectual disabilities; intensive housing case management; grant writing and contract administration

6/2010—5/2011 **Community Planning Intern/Urban Institute Fellow**
Chinatown Community Development Center | San Francisco, CA

2/2010—10/2010 **Urban Forestry Surveyor**
ArborPLUS | Berkeley, CA

1/2009—11/2009 **Water Quality Monitoring Program Coordinator**
San Diego Coastkeeper | San Diego, CA

6/2008—5/2009 **Urban Design Intern**
Estudio Teddy Cruz | San Diego, CA

PROFESSIONAL TRAINING

2/2015 **NeighborWorks National Training Institute**

Courses:

Building Multifamily Housing Part 1: Project Managing the Development Process
Building Multifamily Housing Part 2: Project Managing the Design Process
Building Multifamily Housing Part 3: Project Managing the Construction Process

6/2014-10/2014 **Housing Development Training Institute**
Local Initiatives Support Corporation (LISC) California

Leon D. Winston

Chief Operating Officer/Housing Director

EDUCATION

2005 **Master of Nonprofit Administration, *emphasis in Organizational Development***
University of San Francisco

2000 **Bachelor of Arts, Public Administration**
University of San Francisco

PROFESSIONAL EXPERIENCE

2007—Present **Chief Operating Officer/Housing Director**
2002—2007 **Deputy Executive Director/Housing Director**
2000—2002 **Director of Housing Operations**
1995—2000 **Administrative Coordinator, Housing Programs**
Swords to Plowshares | San Francisco, CA

As Chief Operating Officer: Direct responsibility for the comprehensive program & services management of a $15 million agency with seven sites and over 140 employees, including oversight of service-delivery programs, program design, evaluation, sustainability and funding strategies, and strategic planning. Work with the CEO and Board of Directors in establishing policies, planning and creating programs consistent with the mission of the organization. Provide leadership to the Deputy Director for Programs & Operations and various Program Directors as a team responsible for administration of the agency's services and programs, providing quality assurance to all programs including achievement of mission-based objectives. In partnership with CEO and CFO, develop and monitor agency budget. Responsible for strategic planning, organizational development, change management, project management and information technology and data needs of the organization. Work on public policy impacting veterans at the local, state, and national level. Present on the unmet needs of veterans nationwide. Act as agency lead on new projects, expansion efforts and new housing development.

As Housing Director: Responsible for the development, implementation, and strategic operation of all agency residential programs and facilities, including limited partnerships. Provide leadership and direction to Director of Residential Programs, Clinical Director, Director of Property and Asset Management.

1998 **Metropolitan Community Foundation**
Acting Director | San Francisco, CA

PROFESSIONAL APPOINTMENTS & AFFILITATIONS

2015—Present **VA Secretary's Advisory Committee on Homeless Veterans, Washington, D.C.**
Appointee

2014—Present **National Coalition for Homeless Veterans| Washington, D.C.**
Vice-Chair, Board of Directors

2014– Present **San Francisco 25 Cities Initiative**
Leadership Team

2012—Present **San Francisco Homes for Heroes-Rapid Results Team**
Steering Committee

2006 **State of California Policy Academy—California Governor's Ten-Year Chronic Homeless Action**



RICHARD STACY FAIA

Principal

LMSA

EDUCATION

1977	Bachelor of Arts, Rice University
1979	Bachelor of Architecture, Rice University

REGISTRATION / AFFILIATIONS

Registered Architect, 1982, California
Fellow, American Institute of Architects
Member, United States Green Building Council
Member, San Francisco Planning and Urban Research
Member, Non-Profit Housing Association of Northern California
Member, San Francisco Housing Action Coalition

PROFESSIONAL EXPERIENCE

2000–Present	Leddy Maytum Stacy Architects
1989–1999	Tanner Leddy Maytum Stacy Architects
1980–1989	Tanner and Vandine Architects
1978–1980	Cannady & Associates

SELECTED PROJECTS

ParkMerced, *San Francisco*
Parcel O, *San Francisco*
Laguna Commons, *Fremont*
Family House, *San Francisco*
474 Natoma, *San Francisco*
Rene Cazenaze Apartments, *San Francisco*
Merritt Crossing Senior Apartments, *Oakland*
Mission Walk Residences, *San Francisco*
Plaza Apartments, *San Francisco*
Madison and 14th Apartments, *Oakland*
235 Berry Street Residences, *San Francisco*
301 Bryant Street, *San Francisco*
Baker Hamilton Building, *San Francisco*
625 Townsend Street, *San Francisco*
999 Brannan Street, *San Francisco*
1200 Pacific Avenue, *Santa Cruz*
Corson-Heinser Live/Work, *San Francisco*
Haight Street Lofts, *San Francisco*
Musilek Live/Work, *San Francisco*
Russian Hill Residence, *San Francisco*
McDowell Residence, *Sebastopol*



GREGG NOVICOFF AIA LEED AP

Senior Associate

LMS[A]

EDUCATION

1997	Master of Architecture, Harvard University
1992	Bachelor of Arts in Architecture , University of California Berkeley
	Bachelor of Arts in English, University of California Berkeley

REGISTRATION /AFFILIATIONS

Registered Architect, California, 2003
LEED Accredited Professional
Member, San Francisco Housing Action Coalition
Member, United States Green Building Council
Member, American Institute of Architects
Member, San Francisco Planning and Urban Research

PROFESSIONAL EXPERIENCE

2005–Present	Leddy Maytum Stacy Architects
2000–2005	SMWM
1997–2000	MBT Architecture
1993–1994	Central Park Conservancy

SELECTED PROJECTS

Parcel O, *San Francisco*
Family House, *San Francisco*
The Commonwealth Club of California, *San Francisco*
Camp Tawonga Master Plan, *Groveland*
Sweetwater Spectrum Community, *Sonoma*
The Ed Roberts Campus, *Berkeley*
San Francisco Day School Comprehensive Facility Plan, *San Francisco*
California Shakespeare Theater, *Orinda*
UC Berkeley Housing Option Study, *Berkeley*
Offices for Arup, *San Francisco*
2001 Market Street Residences, *San Francisco*
Building 813 Concept Design Study, Hunter's Point Shipyard, *San Francisco*
Cupertino Public Library and Community Hall, *Cupertino* (with SMWM)
Sutro Library, *San Francisco State University* (with SMWM)
Mechanical Engineering Building, *Stanford University* (with MBT Architecture)
Learning Resource Center, *Mission College* (with MBT Architecture)
UC Berkeley Underhill Campus Master Plan, *Berkeley* (with MBT Architecture)

LECTURES, CONFERENCES AND TEACHING

2013	Nonprofit Centers Network Conference
2011	Sustainable Cities Design Academy
1995–1997	Lecturer, Boston Architecture Center

Attachment D: Asset Management Evaluation of Project Sponsor

What are the total number of projects and average number of units per project currently in the Sponsor's asset management portfolio?

CCDC's asset management staff currently oversees 29 projects containing a total of 2,465 affordable housing units. The average project comprises approximately 50 units.

Please state the Sponsor's current asset management staffing including job titles, full time employees ("FTE's"), and status of each position (filled/vacant?). Please provide a description of the scope and range of duties the Sponsor's asset management team.

The Asset Management Department (AM) is comprised of 3.625 FTE:

- Director of Asset Management
- Senior Asset Manager
- Asset Manager
- Asset Management Assistant (25 hours per week)

Their duties are outlined in the job descriptions included below. All positions are filled.

AM monitors the financial and physical health of the portfolio. They produce financial projections for each building in order to monitor the long-term viability of the property. They commission capital needs analyses for each building every five years, and monitor the process of getting all called for repairs and replacements done. They collaborate with the Housing Development Department to develop workout plans for troubled properties. With the Property Management Department, they set rents at each building according to the various programs and funding sources in place. They are the main point of contact between CCDC and the lenders, partners, and regulators of the portfolio. This includes all periodic reporting.

AM meets twice-monthly with the Housing Development, Property Management, and Fiscal departments to discuss cross-department topics and coordinate the organization's approach to property and portfolio issues. The Director of Property Management, Compliance Managers, and Property Supervisors, and Fiscal Department are located in the same building as AM, which allows for easy communication and an awareness of each other's roles and challenges.

Please provide the Sponsor's asset management team budget shown as a cost center for projects in San Francisco.

CCDC does not maintain a separate budget for the Asset Management team since it is part of their Fiscal Department.

Please provide the number of projects expected to be in the Sponsor's asset management portfolio in 5 years and, if applicable, plans to augment staffing to manage a growing portfolio.

With respect to the number of projects the Sponsor expects to have in its asset management portfolio in the coming five years, CCDC has provided its Real Estate Owned schedule ("REO schedule"; see below) and has provided the following information regarding portfolio growth. In the next five years, they plan to add the following properties:

- 2060 Folsom Street (110 units)
- 26th and Shotwell Street (100 units)
- 1150 3rd Street a.k.a. Mission Bay Block 3E (101 units)
- 1055 Pine Street (80 units)

- Treasure Island, with Sword to Plowshares (100 units)
- St. Marks Square (86 units)
- Approximate 20 to 30 “Small Sites” projects, totaling between 40 and 400 units

A number of other projects are under consideration and may be added to the portfolio.

Attachment D-1: Asset Management Evaluation of Project Sponsor – Director of Asset Management Job Responsibilities

JOB DESCRIPTION

Director of Asset Management

Department: Executive

Reports to: CFO

Supervises: Asset Manager(s)

Status: Full-time, Exempt

Work Hours: Monday through Friday regular business hours and some nights and weekends

Job Summary:
The Director of Asset Management oversees and safeguards the physical and financial health of the Chinatown CDC property portfolio, consisting of 25 properties and over 2000 units, and ensures that Chinatown CDC's mission goals for the portfolio are achieved.

Essential Functions:
- Advance owner objectives regarding long-term financial and physical well-being of the CCDC property portfolio
- Ensure that CCDC's housing assets are performing at optimal levels financially, physically, and operationally, and in compliance with financial covenants and regulatory requirements.
- Provide leadership and oversight to support the Asset Management Team and work collaboratively with other CCDC departments to advance portfolio goals.

Job Responsibilities:
- Oversee and achieve a high standard for the physical health of Chinatown CDC's properties
    - Monitor the physical condition of Chinatown CDC's properties through project site visits, review of management reports and Capital Needs Analyses, and periodic inspections
    - Oversee the development, monitoring and implementation of capital plans and improvements for the portfolio

- Oversee and achieve a high standard for the financial health of Chinatown CDC's real estate portfolio
    - Establish benchmarks and assess property performance
    - Provide property portfolio and individual asset analysis recommendations to Executive and Management Teams
    - Oversee the review of annual operating budgets and annual audits
    - Identify and prioritize property financial issues
    - Develop detailed information of troubled properties and work with CCDC teams to develop and implement workout strategies
    - Initiate plans for property refinancing and/or rehabilitation as needed to ensure the long term viability of the properties

- Oversee Owner operations of Chinatown CDC projects and meet owner goals for asset management
    - Develop and implement monitoring tools and sound asset management systems, policies and procedures

  - Complete future planning for properties, including capital planning and financial modeling
  - Ensure that Asset Management Team is fulfilling ongoing procedural and compliance requirements and reporting
  - Complete other tasks as necessary to ensure that properties are in compliance with reporting, record-keeping and related requirements.
  - Oversee and perform risk assessments and risk management for the portfolio
  - Oversee the successful negotiation and implementation of over 40 commercial leases
  - Work with Housing Development staff to ensure long term sustainability of new development projects
  - Oversee the review of partnership agreements, financing documents, regulatory agreements to determine financing structures and constraints
  - Plan for and facilitate the buy-out of limited partner interests and negotiate terms and sources of funding
  - Assist in the transition (between Housing Development, Property Management, Resident Services and Fiscal), of new development projects coming on-line

- Oversee the health and development of the Asset Management Department
  - Coach, train and oversee the work of asset management staff
  - Enhance the professional development of asset management staff

- Contribute as part of Management Team for the overall health of the organization
  - Represent the Department to the Board of Directors and Asset Management Committee
  - Participate in organizational planning as a Director and member of Management Team
  - Participate in project development planning
  - Represent the organization at external events, tours, public policy activities, and neighborhood and community meetings
  - Establish and maintain relationships with external agencies (e.g. investors, HUD representatives, City officials, NeighborWorks, community groups, etc.) in relation to asset management

Attachment D-2: Asset Management Evaluation of Project Sponsor – Senior Asset Manager Job Responsibilities

JOB DESCRIPTION

SENIOR ASSET MANAGER

Department: Asset Management

Reports to: Director of Asset Management

Supervises: None

Supervises Indirectly: Administrative Assistant

Status: Full-time, Exempt

Work Hours: Monday through Friday regular business hours and some nights and weekends

Job Summary:
The Senior Asset Manager will join CCDC's Asset Management team to promote and preserve the financial and fiscal health of the organization's substantial and diverse affordable housing portfolio. CCDC builds housing *and* community, and our organizing and activism around the well-being of low-income residents citywide informs everything we do – including asset management. The Senior Asset Manager will participate in the development of policies that reflect this integration.

The Senior Asset Manager will have primary responsibility for financial, physical, regulatory and administrative oversight of a group of buildings within CCDC's portfolio. For properties that are trending downward financially, the Senior Asset Manager will develop recommendations for how to turn the property around. They will also manage the commercial spaces within their buildings, to maximize income while continuing to provide discounted space to other, mission-related nonprofits

The Senior Asset Manager will maintain excellent relations with CCDC's lenders and partners, and provide timely and accurate reports. Internal relations will also be important, as this position works very closely with CCDC's Housing Development, Property Management, and Fiscal departments.

Essential Functions:
- Advance owner objectives regarding long-term financial and physical well-being of the CCDC property portfolio
- On behalf of CCDC, maintain strong and positive relationships with our lenders and investors, as well as the other departments within CCDC on which Asset Management depends.

Job Responsibilities:
The Asset Manager may participate, assist or lead in the following projects:

Financial Well-Being:
- Monitor financial performance standards of assigned portfolio. Participate in development of standards.
- For each assigned property, seek rent increases from regulatory agencies, recommend rent increase amount for existing tenants as well new rents for units at turnover.

- Monitor the current and long-term financial status of CCDC projects by reviewing budget variance reports and audited financial statements, and by preparing long-term operating cash flow projections.
- Propose solutions to structural deficits and propose disposition of annual surplus/deficits for assigned portfolio.
- Assist development of workout plans for properties that are not performing to standards.
- With property management staff and accounting staff, assist in preparing and reviewing of annual operating budget.
- Handle property tax related matters including valuations and exemptions, including challenges to Board of Equalization findings, initial exemption filings, and annual exemption filings.

Physical Well-Being:

- Monitor physical condition of CCDC properties through periodic inspections; recommend capital improvements and/or specific maintenance enhancements where needed.
- Supervise the creation of capital needs assessments. Contribute to the preparation of capital improvement budgets.
- Process replacement and operating reserve requests and approvals.

Investor/Lender Contract Administration:

- Develop most restrictive analyses of over-lapping regulatory restrictions and requirements.
- Work with property management staff and accounting staff to prepare and submit periodic monitoring reports to public agencies, lenders, investors, and partners on a timely basis.
- Administer financial contracts after initial and final loan closings, including loan renewals, renegotiations, limited partner buyouts and other end of contract term matters.

Responsibilities Furthering Multiple Owner Goals:

- Create individual asset management plans for assigned properties, and contribute to an overall asset management plan.
- Ensure that Owner's main objectives are adequately expressed in Property Management policies plans and procedures.
- Work collaboratively to create and refine reporting procedures, database, and other informational systems to collect data, track projects, enhance communication, and provide needed information to management and Board of Directors.
- Work with CCDC development staff to create initial operating budgets and project designs that achieve Asset Management goals of long-term financial stability, cost efficiency and well-maintained physical plant.
- Create "deal books" for new developments that summarize all pertinent information on the project.
- Work with Housing Development and Fiscal departments to identify opportunities for rehab and re-syndication of existing projects.
- Recommend for approval management plans and management agreements and other property management contracts with respect to accomplishment of owner's asset management goals.
- Perform risk assessments and risk management related to position's portfolio.
- Perform other related duties as required.

Other:

- Contribute to a safe and pleasant work environment
- Follow policies, procedures, and safe work practices
- Other duties as assigned

Business Contacts (Internal & External):

- Deputy Director

- Director of Asset Management
- Asset Manager
- Director and staff of Housing Development Department
- Chief Financial Officer and Fiscal Department staff
- Director an staff of Property Management Department
- Resident Services
- Investors
- Governmental entities
- Lenders
- Vendors
- Third Party Property Management
- Insurance Broker

Knowledge, Skills, and Experience:

- Keen understanding of the asset management role and function in carrying out the dual bottom line of social mission and financial viability
- Proven skills in affordable housing asset management, planning and analyses of complex legal, financial, and regulatory information
- Ability to exercise good assessment and judgment, and good problem solving skills
- Strong, clear, tactful communication, both verbally and in writing
- Forward thinking and proactive, with the ability to exercise independent judgment appropriate to the position
- Strong time management skills and the ability to prioritize diverse tasks
- Work collaboratively with people in other departments and at different skill levels
- Enthusiasm and team building spirit, able to lead the team, and able to be an expert, contributing member
- Dependability, initiative and follow-through
- Ability to transfer lessons learned between similar tasks and projects
- Ability to work with, and sensitivity to, a diverse, low-income, multi-ethnic population.

Minimum Qualifications:

- Four-year college degree
- Advanced degree in related academic field or four years of experience, or partial experience, in one or more of the following:
    - asset management
    - residential or commercial property management
    - financial management
    - housing development
    - full-charge accounting
    - internal auditing
    - contract administration
- Proficiency in MS Word and MS Excel or comparable word processing or spread sheet programs, and the ability to manage complex pro forma analysis.
- Two years of experience, or partial experience, in quantitative analysis.

Preferred Qualification:

- Graduate Degree and/or additional asset management experience
- Familiarity and effectiveness with fiscal, physical/maintenance, regulatory, and tenant relations aspects of property management
- Knowledge of federal and local affordable housing agencies and programs (i.e. HUD, REAC, Tax Credit, Section 8, CTCAC, HCD, MHCP, CHRP, SUHRP, MOHCD, Housing Authority, bonds)
- Proficiency in Yardi or MRI or other property management related software preferred; experience with Access or other databases helpful

- CPM, NAHP, CHAM or other certification related to housing development, property or asset management

Attachment D-3: Asset Management Evaluation of Project Sponsor - Asset Manager Job Responsibilities

JOB DESCRIPTION

ASSET MANAGER

Job Summary: The Asset Manager will join the Deputy Director and one existing Asset Manager in advancing owner objectives in the rental housing portfolio in: long-term financial and physical well-being, achievement of social goals, and effective investor/lender contract administration.

Status:	Full-time, Exempt
Location:	Office in North Beach, San Francisco
Salary:	DOE; Comprehensive benefits
Hours:	Monday through Friday, regular business hours

The Organization: A community-based non-profit organization founded in 1977, Chinatown Community Development Center develops and manages affordable housing buildings for low-income residents in San Francisco, primarily in the Chinatown and Tenderloin neighborhoods. The organization also improves the quality of life for residents and visitors to San Francisco's Chinatown neighborhood in the areas of tenant rights, open space, and land use and transportation planning.

Job Responsibilities:

- Advance owner objectives regarding long-term financial and physical well-being of the CCDC property portfolio
- On behalf of CCDC, maintain strong and positive relationships with our investors
- Propose solutions to structural deficits and propose disposition of annual surplus/deficits for assigned portfolio
- Develop most restrictive analyses of over-lapping regulatory restrictions and requirements.
- Work with property management staff and accounting staff to prepare and submit periodic monitoring reports to public agencies, lenders, investors, and partners on a timely basis.
- Development of asset management plans that express the owner's goals and strategies in particular properties
- Ensure that Owner's main objectives are adequately expressed in Property Management policies plans and procedures
- Work with CCDC development staff to create initial operating budgets and project designs that achieve Asset Management goals of long-term financial stability, cost efficiency and well-maintained physical plant

Knowledge, Skills, and Experience:

- Ability to excise good judgment, assessment and have good problem solving skills
- Excellent writing and communication skills
- Ability to transfer lessons learned between similar tasks and projects
- Strong time management skills
- Work collaboratively with people in other departments and skill levels
- Ability to work with, and sensitivity to a diverse, low-income, and multi-ethnic population

Minimum Qualifications:

- Four-year college degree and two years' experience/partial experience, in one or more of the following: (asset management, residential or commercial property management, financial management, housing development, full-charge accounting, internal auditing, contract administration or advanced degree in related academic field)

- Intermediate knowledge of MS Word and MS Excel or comparable word processing or spread sheet programs
- Two years' experience or partial experience in quantitative analysis

Preferred Qualification:

- Graduate Degree and/or additional property management experience
- Familiarity and effectiveness with fiscal, physical/maintenance, regulatory, and tenant relations aspects of property management
- Knowledge of a property management software, List Manager software, or an accounting software
- Training and experience in HUD and Tax Credit programs
- Broker's license
- CPM, NAHP, CHAM or other certification related to housing development, property or asset management

Attachment D-4: Asset Management Evaluation of Project Sponsor – Asset Management Assistant Job Responsibilities

JOB DESCRIPTION

ASSET MANAGEMENT ASSISTANT

Date: January 3, 2017

Department: Fiscal / Asset Management

Reports to: Director of Asset Management

Supervises: N/A

Supervises Indirectly: N/A

Status: Part-time, Nonexempt, Regular

Work Hours: Monday through Friday, 8am to 1pm

Portfolio: N/A

Job Summary

The Asset Management Assistant (AMA) performs a variety of tasks relating to the asset management of the CCDC property portfolio. The AMA's primary responsibility is tracking and generating the reports the Asset Management Department is required to provide to funders and regulators. This position regularly processes detailed paperwork, scans and organizes documents, prepares requests to regulatory agencies, and prepares and submits check requests. The ideal candidate is well organized, proactive, able to diplomatically make requests and inquiries, and calmly meet deadlines. Must be happy working independently in an energetic and mission-driven environment.

Essential Functions

- Maintain the Asset Management Department's list of required reporting.
- Work with property management staff and accounting staff to prepare and submit periodic monitoring reports to public agencies, lenders, investors, and partners on a timely basis.

Job Responsibilities

- Assist Asset Management staff to respond for requests for information from funders and regulators.
- Prepare reserve withdrawal and check requests.
- Organize documents physically and electronically.
- Maintain orderliness of asset management department
- Light clerical work in support of the Asset Managers

Other

- Embody organization values (respect & compassion, empowerment, teamwork)
- Contribute to a safe and pleasant work environment
- Follow policies, procedures, and safe work practices
- Other duties as assigned

Knowledge, Skills, and Experience

- Ability to exercise independent judgment appropriate to the position
- Strong time management skills
- Work collaboratively with people in other departments and skill levels
- Dependability, initiative and follow-through

- Working knowledge of Microsoft Word, Excel, and Outlook
- Good verbal communication skills
- Ability to work independently

Minimum Qualifications

- Associate college degree
- Two years of experience in one or more of the following:
    - asset management
    - residential or commercial property management
    - financial management
    - housing development
    - bookkeeping
    - contract administration
- Intermediate knowledge of MS Word and MS Excel or comparable word processing or spread sheet programs.

Preferred Qualifications

- Four-year college degree
- Experience with low-income/affordable residential property management
- Experience with asset management work

Attachment D-5: Asset Management Evaluation of Project Sponsor

See attached REO schedule.

CHINATOWN COMMUNITY DEVELOPMENT CENTER SCHEDULE OF REAL ESTATE HOLDINGS

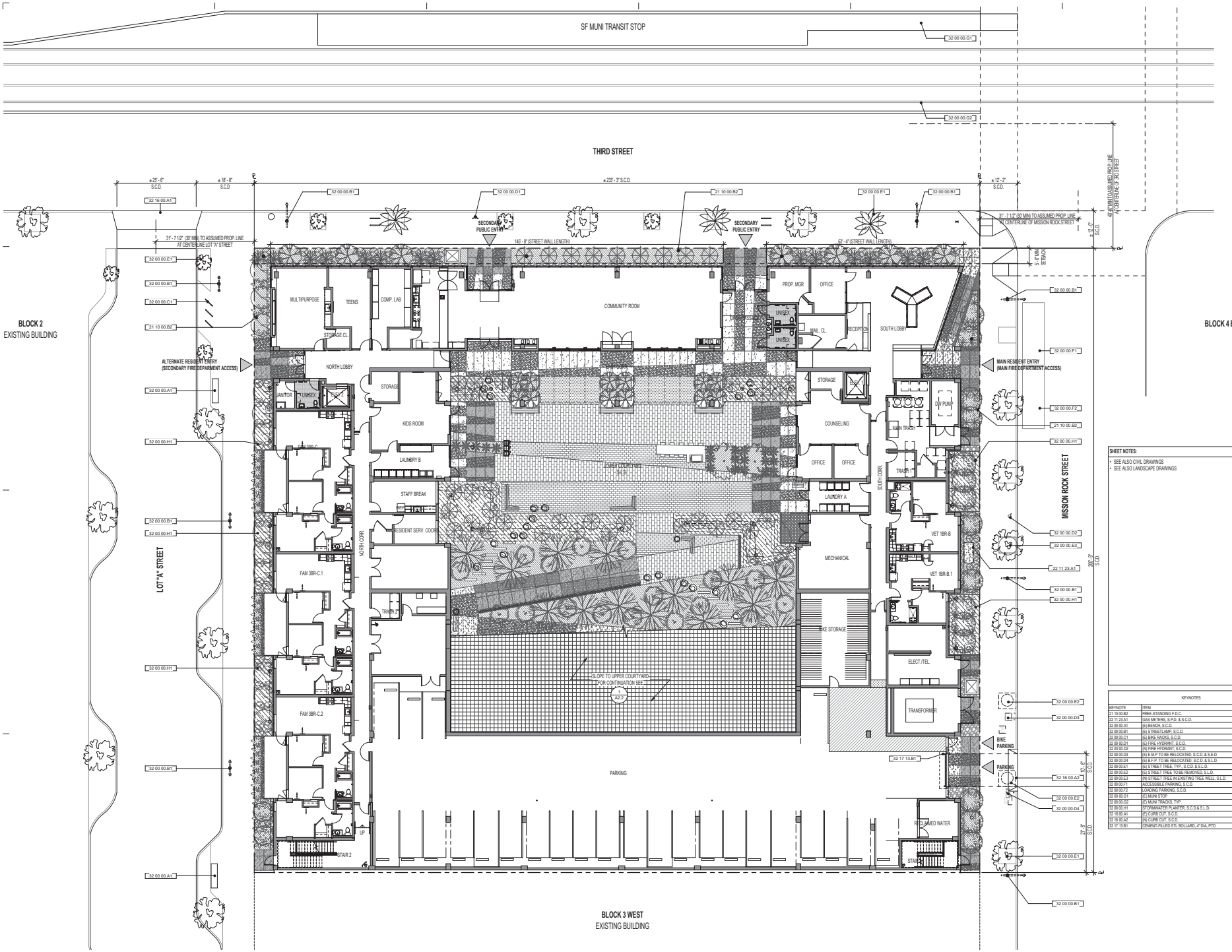
as of 12/31/2016

CHINATOWN COMMUNITY DEVELOPMENT CENTER SCHEDULE OF REAL ESTATE HOLDINGS

As of 12/31/2016

	Property Name	Address	City	ST	# of Units	Property Type	LIHTC (Y/N)	Year Built	Year Acquired	Construction Status	Occ. %	Purchase Date (MM/YR)	Purchase Price	Revenue	ADJ Expenses	Annual Replacement Reserve Contribution	NOI	Annual Debt Service	DSCR	Cash Flow after Reserves & Debt Services	Balance on First Mortgage Amount Consolidated	Balance on Soft Debt Amount Consolidated	Balance on construction Loan Consolidated	Balance on Grants Consolidated	Balance on Soft Debt Non-Consolidated Entity	Operating Reserve Balances	Replacement Reserve Balances	Other Reserve (if appl.)	LHITC Syndicator	Soft Debt Lenders	1st Mortgage Lenders	Maturity Date 1st Lender (MM/YR)	Interest Only (Y/N)	Fixed / Variable	Recourse (Y/N)	CCDC/GP Ownership Interest %	LP Ownership Interest %
1	1150 Grant	1150 Grant Avenue 94108	SF	CA	14	SRO	N	1907	2008	Completed	100.0%	November-05	Donation	$90,267	$84,978	$8,088	($2,798)	$0	N/A	($2,798)	-	$0		$3,322,382		20,063	35,534	-			N/A	N/A	N/A	100.000%	
2	462 Green	462 Green Street 94133	SF	CA	6	Multi-Family	N	1906	2016	Completed	100.0%	August-17		$23,718	$10,135	$800	$12,783	$7,370	1.73	$5,413	380,000	$2,141,000				15,075	35,475	-		C&CSF	NCCLF	8/19/2026	Y	Fixed	N	100.000%	
3	9th Avenue Terrace	289 9th Avenue 94118	SF	CA	14	SRO	N	1989	Master Lease	Completed	100.0%	Master Lease	Master Lease	$46,576	$70,698	$0	($24,122)	$0	N/A	($24,122)	-	$0									N/A	N/A	N	N/A	N/A	N/A	
4	990 Pacific	990 Pacific Street 94133	SF	CA	92	Multi-Family	Y	1969	2015	RAD rehab - cntx scheduled to be completed Oct 2017; TCO Nov 2018	N/A	November-15	$17,940,000	$649,235	$526,081	$36,800	$86,354	$0	N/A	$377,151	-	$26,440,000	$5,453,000				42,937	171,375	BofA	C&CSF; SFHA	N/A	perm conversion scheduled for Jan 2018				0.010%	99.99%
5	665 Clay	665 Clay Street 94111	SF	CA	25	SRO	N	1906	2000	Completed	100.0%	May-00	$2,776,316	$207,550	$187,021	$10,000	$10,529	$0	N/A	$10,529	-	$2,977,245		$2,850,000		56,490	159,318	128,466		C&CSF	N/A	N/A	N/A	N/A	N/A	100.000%	
6	1370 California	1370 California Street 94109	SF	CA	49	Family	N	1912	1995	Completed	93.0%	September-94	$3,825,869	$463,704	$291,516	$18,375	$153,813	$97,439	1.58	$56,374	1,259,982	$1,466,785		$0		223,921	62,515	850,018		C&CSF	NWC	2/1/2027	N	Fixed	Y	100.000%	
7	227 Bay	227 Bay Street 94133	SF	CA	50	Multi-Famy	Y	1971	2015	RAD rehab - cntx scheduled to be completed July 2017; TCO Aug 2018	N/A	November-15	$8,175,000	$606,881	$375,678	$20,000	$211,203	$0	N/A	$211,203	-	$9,522,117	$6,547,358				23,335	53,146	BofA	C&CSF; SFHA	N/A	perm conversion scheduled for April 2018				0.010%	99.99%
8	Bayside Elderly	777 Broadway	SF	CA	31	Senior	N	1990	1990	Completed	99.9%	September-89	$2,521,884	$912,432	$248,947	$73,686	$589,798	$144,308	4.09	$445,490	1,196,918	$0				45,199	112,732			HUD	9/1/2031	N	Fixed	No	100.000%	0.00%
9	Broadway Family Apartments	810 Battery Street 94111	SF	CA	81	Multi-Family	Y	2008	2008	Completed	99.9%	March-08	$32,140,525	$1,525,934	$914,140	$48,600	$563,194	$388,748	1.45	$174,445	1,987,469	$12,541,380		$6,000,000		287,346	278,914	22,507	Alliant	C&CSF;AHP-FHLB; HCD	Bond - City - CCRC	5/1/2018; 5/1/2040	N	Fixed	No	0.010%	99.99%
10	Broadway Sansome Apartments	255 Broadway	SF	CA	75	Multi-Family	Y	2015	2015	Completed	99.7%	February-15	$35,828,422	$969,199	$882,920	$45,000	$41,279	$14,102	2.93	$27,177	7,237,742	14,259,415				187,002	82,530	43,900	RJCHOF II and III	C&CSF	HCD	7/17/2071	N	Fixed	No	0.010%	99.99%
11	Clayton Hotel	657 Clay Street 94111	SF	CA	82	SRO	N	1906	1983	Completed	96.0%	May-81	$1,300,912	$344,768	$272,795	$0	$71,974	$59,184	1.22	$12,790	249,900	$667,549				678	3,979			C&CSF; HCD	LIIF (United Methodist)	10/31/2024	N	Fixed	No	100.000%	
12	Consorcia	1204 Mason Street 94108	SF	CA	24	SRO	N	1909	1982	Completed	99.9%	April-81	$832,390	$205,682	$134,122	$30,745	$40,816	$42,000	0.97	($1,184)	60,572	$344,238		$643,876		41,423	149,255			C&CSF; HCD	HCD	7/1/2012	N	Fixed	No	100.000%	0.00%
13	Crescent Cove	420 Berry Street 94158	SF	CA	236	Multi-Famy	Y	2007	2007	Completed	98.0%	August-05	$47,345,812	$3,810,604	$1,652,703	$59,000	$2,098,901	$1,530,672	1.37	$568,229	19,042,393	$5,228,125					410,502		AldenTorch	SFRA	Bond - SFRA - Union Bank	10/1/2022	N	Fixed	No	0.010%	99.99%
14	Golden Gate Apartments	1820 Post Street 94115	SF	CA	72	Multi-Famy	Y	1978	1999	Completed	98.5%	June-99	$5,327,046	$1,167,248	$572,757	$64,965	$529,526	$462,576	1.14	$66,950	3,219,258	$746,833				142,084	407,336		NEF	SFRA	Bond - SFRA - BofA	12/1/2018; 6/1/2029	N	Fixed	No	0.010%	99.99%
15	Hamlin Hotel	385 Eddy Street 94102	SF	CA	67	SRO Special Needs	N	1909	1992	Completed	94.2%	November-91	$898,969	$575,031	$764,565	$0	($189,534)	$0	N/A	($189,534)	-	$2,299,177				3,177	23,330			C&CSF; HCD	N/A	N/A	N/A	N/A	N/A	99.000%	1.00%
16	International Hotel	848 Kearny Street 94108	SF	CA	105	Senior	N	2005	2005	Completed	N/A	October-05	$28,936,710	$994,043	$871,683	$143,208	($20,848)	$0	N/A	($20,848)	-	$829,560			$27,881,480	317,300	14,070,328			C&CSF; AHP-FHLB; HUD	N/A	N/A	N/A	N/A	N/A	100.000%	
17	Larkin Pine Senior Housing	1303 Larkin Street 94109	SF	CA	63	Senior SRO	Y	1993	1993	Completed	99.2%	December-94	$7,779,813	$416,590	$442,195		($25,605)	$0	N/A	($25,605)	-	$4,619,585				124,566	135,427	22,990	Edison Capital	C&CSF; HCD	N/A	N/A	N/A	N/A	N/A	100.000%	0.00%
18	MHRSC	701 Golden Gate Avenue 94102	SF	CA	100	Senior	Y	2013	2013	Completed	99.5%	March-11	$37,113,142	$1,060,457	$904,285	$25,000	$131,173	$0	N/A	$131,173	-	$11,231,936				304,190	78,999		Hudson Capital	C&CSF	N/A	N/A	N/A	N/A	N/A	0.010%	99.99%
19	Namiki Apartments	1776 Sutter Street 94115	SF	CA	34	Senior	Y	1980	2001	Completed	99.8%	December-02	$4,430,635	$1,152,476	$401,298	$13,600	$737,578	$368,456	2.00	$369,121	293,656	$1,501,542				154,767	225,753		Merritt Com Cap.	HCD	Bond - SFRA - Citibank/BNY	10/1/2017	N	Fixed	No	0.100%	99.90%
20	Notre Dame Apartments	1590 Broadway	SF	CA	204	Senior	Y	1909	2000	Completed	99.9%	December-00	$2,498,115	$4,758,698	$1,821,511	$64,500	$2,872,687	$1,459,308	1.97	$1,413,379	8,880,704	$0				434,967	1,253,362		Merritt Com Cap.	Citibank	11/1/2018; 12/1/2033	N	Fixed	No	0.100%	99.90%
21	Parkview Terrace	871 Turk Street 94102	SF	CA	101	Senior	Y	2008	2008	Completed	98.2%	April-06	$29,241,988	$1,207,651	$940,445	$30,300	$236,906	$170,963	1.39	$65,943	1,726,133	$13,924,376				250,242	201,238	67,293	NEF	SFRA; AHP-FHLB	Union Bank	10/31/2023	N	Fixed	No	0.010%	99.99%
22	Ping Yuen	665 Pacific;711 Pacific;795 Pacific; 985 Pacific	SF	CA	200	Multi-Family	Y	1955	2016	Under rehab - cntx scheduled to be completed Jan 2019; TCO Feb 2019	N/A	October-16	$68,160,000	$480,653	$361,109		$119,545	$0	N/A		-	$68,290,000	$5,115,701					1,607,085	TransAmerica Affordable Housing Inc.,	C&CSF/SFHA	N/A	perm conversion scheduled for June 2019		0.100%	99.00%
23	Ping Yuen North	838 Pacific	SF	CA	234	Multi-Family	Y	1962	2016	Under rehab - cntx scheduled to be completed Aug 2019; TCO Sept 2019	N/A	October-16	$61,870,000	$410,992	$325,863		$85,128	$0	N/A	$85,128	-	$61,870,000	$2,550,257					496,312	TransAmerica Affordable Housing Inc.,	C&CSF/SFHA	N/A	perm conversion scheduled for Jan 2020		0.100%	99.00%
24	Saint Claire	585 Geary Street 94102	SF	CA	41	SRO, Studio and 1	N	1912	1987	Completed	100.0%	October-86	$1,152,468	$253,463	$219,122	$16,908	$17,433	$0	N/A	$17,433	-	$920,000				69,524	364,634			C&CSF; HCD	N/A	N/A	N/A	N/A	N/A	100.000%	
25	Swiss American Hotel	534 Broadway 95133	SF	CA	66	SRO	N	1910	1986	Completed	96.2%	June-85	$1,704,599	$387,110	$337,715	$20,196	$29,199	$0	N/A	$29,199	-	$1,562,113				94,563	97,179			C&CSF; HCD	N/A	N/A	N/A	N/A	N/A	100.000%	
26	Tenderloin Family Housing	201 Turk Street 94102	SF	CA	175	Family	Y	1993	2014	Completed	99.4%	December-13	$55,441,249	$2,424,975	$1,520,945	$107,610	$796,420	$555,431	1.43	$240,989	6,832,411	$13,286,118				405,513	312,552		Union Bank	C&CSF; HCD	Union Bank	6/1/2040	N	N/A	N/A	0.100%	99.00%
27	Tower Hotel	1525-1529 Grant Avenue 94133	SF	CA	33	SRO	N	1911	1984	Completed	97.5%	October-83	$376,516	$189,501	$167,916	$7,527	$14,058	$0	N/A	$14,058	-	$954,809				12,380	22,560			C&CSF/CCDC	N/A	N/A	N/A	N/A	N/A	100.000%	
28	Veterans Commons	150 Otis Street 94103	SF	CA	76	Special Needs	Y	1914	2012	Completed	N/A	November-12	$0	$1,219,378	$1,060,569	$38,000	$120,809	$0	N/A	$120,809	-	$0			$7,598,813	221,529	190,158	150,164	Wells Fargo	C&CSF; CHFA; SFRA	N/A	N/A	N/A	N/A	N/A	0.010%	99.99%
29	Wharf Plaza	150 Francisco Street 94133	SF	CA	230	Senior & Family	N	1983	1983	Completed	N/A						$0	$0	N/A	$0	-				$39,698,000									No	0.010%	0.00%
30	William Penn Hotel	160 Eddy Street 94102	SF	CA	91	SRO Special Needs	N	1908	1993	Completed	97.5%	November-91	$799,696	$690,544	$622,341	$23,496	$44,707	$0	N/A	$44,707	-	$2,967,397			$1,073,820	163,597	42,594			C&CSF; HCD	N/A	N/A	N/A	N/A	N/A	CCDC 1% interest	
31	MB&	Mission Bay Block	SF	CA	200	Multi-Family																			$15,057,426				Wells Fargo						.49% CCDC /.51% Related	99.99%
32	1150 3rd Street	1150 3rd Street	SF	CA	119	Multi-Family & Special Needs	Y		2016	pre-development	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$790,093	N/A	N/A	N/A	TBD	C&CSF	N/A	N/A	N/A	N/A	N/A	0.01% co-GP with STP	99.99%
33	2060 Folsom	2060 Folsom	SF	CA	127	Multi-Family	Y		2016	pre-development	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$1,147,456	N/A	N/A	N/A	TBD	C&CSF	N/A	N/A	N/A	N/A	N/A	0.01% co-GP with MEDA	99.99%
34	1296 Shotwell	1296 Shotwell	SF	CA	94	Multi-Family	Y		2016	pre-development	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$896,874	N/A	N/A	N/A	TBD	C&CSF	N/A	N/A	N/A	N/A	N/A	0.01% co-GP with MEDA	99.99%
					3,211								$458,418,076	$27,245,362	$16,986,052	$906,404	$9,352,906	$5,300,558		$4,223,600	52,367,139	260,591,300	19,666,317	12,816,258	94,143,962	3,575,594	18,822,473	3,613,256	$0								

Attachment E: Site Map with amenities



1 SITE PLAN
A1.0 SCALE: 3/32" = 1'-0"

ARCHITECTS
LMS^A
LEDDY MAYTUM STACY ARCHITECTS
677 HARRISON STREET
SAN FRANCISCO, CA 94107
T 415.495.1700
F 415.495.1717
W www.lmsarch.com

STAMP

CONSULTANTS

PROJECT

MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

SHEET NOTES:
- SEE ALSO CIVIL DRAWINGS
- SEE ALSO LANDSCAPE DRAWINGS

KEYNOTES

KEYNOTE	ITEM
21 10 00.B2	FREE-STANDING F.D.C.
22 11 23.A1	GAS METERS, S.P.D. & S.C.D.
32 00 00.A1	(E) BENCH, S.C.D.
32 00 00.B1	(E) STREETLAMP, S.C.D.
32 00 00.C1	(E) BIKE RACKS, S.C.D.
32 00 00.D1	(E) FIRE HYDRANT, S.C.D.
32 00 00.D2	(N) FIRE HYDRANT, S.C.D.
32 00 00.D3	(E) E.M.P. TO BE RELOCATED, S.C.D. & S.E.D.
32 00 00.D4	(E) B.F.P. TO BE RELOCATED, S.C.D. & S.L.D.
32 00 00.E1	(E) STREET TREE, TYP., S.C.D. & S.L.D.
32 00 00.E2	(E) STREET TREE TO BE REMOVED, S.L.D.
32 00 00.E3	(N) STREET TREE IN EXISTING TREE WELL, S.L.D.
32 00 00.F1	ACCESSIBLE PARKING, S.C.D.
32 00 00.F2	LOADING PARKING, S.C.D.
32 00 00.G1	(E) MUNI STOP
32 00 00.G2	(E) MUNI TRACKS, TYP.
32 00 00.H1	STORMWATER PLANTER, S.C.D & S.L.D.
32 16 00.A1	(E) CURB CUT, S.C.D.
32 16 00.A2	(N) CURB CUT, S.C.D.
32 17 13.B1	CEMENT-FILLED STL BOLLARD, 4" DIA, PTD

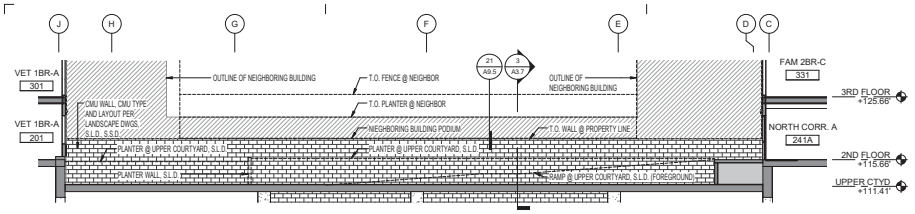
No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: As indicated

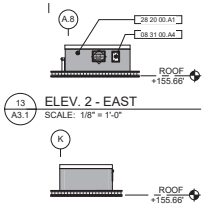
SHEET TITLE
SITE PLAN

SHEET No
A1.0

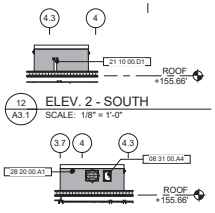
Attachment F: Elevations and Floor Plans



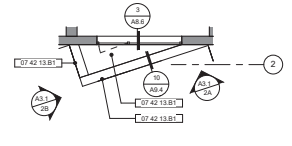
14 A3.1 UPPER COURTYARD FACING WEST
SCALE: 1/8" = 1'-0"



13 A3.1 ELEV. 2 - EAST
SCALE: 1/8" = 1'-0"

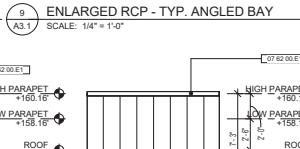


12 A3.1 ELEV. 2 - SOUTH
SCALE: 1/8" = 1'-0"



11 A3.1 ELEV. 1 - EAST
SCALE: 1/8" = 1'-0"

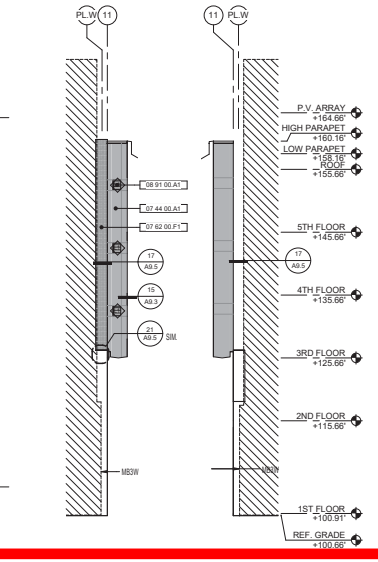
10 A3.1 ELEV. 1 - NORTH
SCALE: 1/8" = 1'-0"

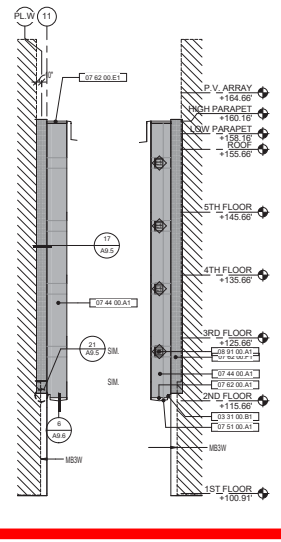


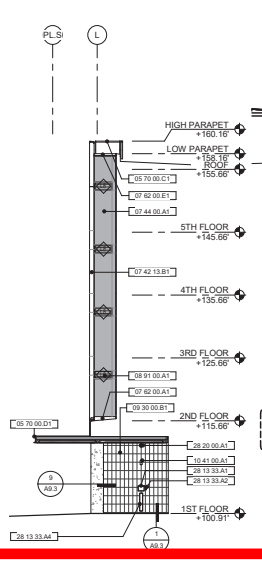
9 A3.1 ENLARGED RCP - TYP. ANGLED BAY
SCALE: 1/4" = 1'-0"

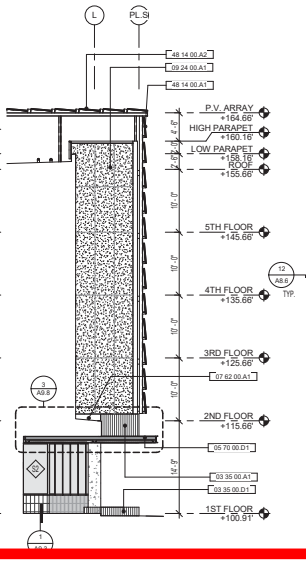
SHEET NOTES:

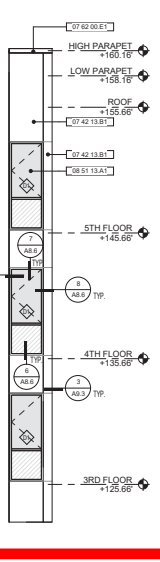
1. REF. GRADE WHERE INDICATED = ELEVATION @ INTERSECTION SOUTH & WEST PROPERTY LINES.
2. 1ST FLOOR ELEVATIONS = T.O. CONCRETE SLAB, U.N.O.
3. UPPER COURTYARD ELEVATION = T.O. PAVERS AT EAST EDGE. S.L.D. UPPER COURTYARD CONC SLAB AND FINISH ELEVATIONS SLOPE TOWARD LOWER CTYD. SEE SLAB PLAN FOR SLAB SLOPE. SEE LANDSCAPE DRAWINGS FOR FINISH GRADING.
4. 2ND FLOOR THROUGH 5TH FLOOR ELEVATIONS = T.O. GYPCRETE.
5. ROOF ELEVATION = T.O. ROOF STRUCTURE W/O. SHEATHING.
6. FOR WINDOW EMERGENCY ESCAPE AND RESCUE OPENING REQUIREMENTS SEE A0.2A
7. FOR BUILDING SIGNAGE REGULATIONS SEE A0.2A.
8. PROVIDE CONTROL JTS TYP. AT CEM. PLASTER PER ELEVATIONS.
9. FOR INTEGRAL COLOR FIBER CEMENT PANEL COLOR PATTERN SEE SPECIFICATIONS APPENDIX .
10. FOR TYPICAL FASTENER LAYOUT AT CEM. BD SEE 21 / A9.4
11. FOR TYPICAL FASTENER LAYOUT AT INT. COLOR FIBER CEM. PANELS SEE 23 / A9.4

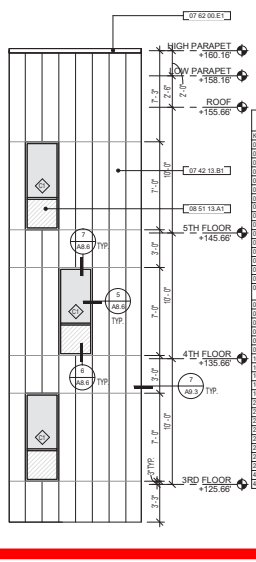












KEYNOTES	
KEYNOTE	ITEM
03 31 00.B1	CONC. CURB
03 35 00.A1	BD-FORMED ARCH. CONCRETE SPANDREL, SEE ALSO STRUCT. DWGS
03 35 00.D1	BD-FORMED ARCH. CONCRETE PLANTER, S.S.D, S.L.D.
05 12 00.D1	KSI PV SUPPORT, S.S.D.
05 12 00.E1	WIDE FLANGE, S.S.D.
05 70 00.C1	METAL GUARDRAIL
05 70 00.D1	ENTRY CANOPY W/ STEEL STRUCTURE
05 70 00.E1	METAL PANEL SYSTEM
07 42 13.B1	INTEGRAL COLORED FIBER CEMENT PANEL RAINSCREEN
07 44 00.A1	PTD. FIBER CEMENT PANEL
07 51 00.A1	BUILT-UP ROOFING
07 62 00.A1	SHEET METAL FLASHING
07 62 00.E1	PARAPET CAP FLASHING
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
07 72 00.B1	CROSSOVER STAIRS
07 95 00.A1	SEISMIC EXPANSION J.T. & COVER ASSEMBLY, S.S.D.
08 31 00.A4	ACCESS PANEL W/ INTEGRATED SHELF AND CAGE FOR ELEVATOR HOISTWAY SMOKE DETECTOR, SEE ALSO ELEC. DWGS.
08 41 00.A1	ALUM. STOREFRONT
08 41 00.C1	ALUM. STOREFRONT WITH PERFORATED MTL PANELS AT DOORS
08 51 13.A1	ALUM. WINDOW
08 91 00.A1	LOUVER, S.M.D.
09 24 00.A1	CEMENT PLASTER
09 30 00.B1	EXTERIOR WALL TILE
10 14 00.A2	BUILDING ADDRESS SIGNAGE
10 14 00.A3	BUILDING ENTRANCE SIGNAGE
10 14 00.A4	COMMUNITY ROOM SIGNAGE
10 14 00.A7	COMMUNITY ROOM INFORMATION SIGNAGE
10 41 00.A1	LOCK BOX
21 10 00.B2	FREE-STANDING F.D.C.
21 10 00.D1	ROOF FIRE HOSE CONNECTION
22 00 00.B1	RAIN WATER PIPING, PTD WHERE EXPOSED, S.P.D.
22 40 00.F1	THROUGH-WALL DOWNSPOUT BOOT, S.P.D.
28 13 33.A1	ENTRY SYSTEM, S.L.V.D.
28 13 33.A2	KEY FOB CARD READER, S.L.V.D.
28 13 33.A4	POWER DOOR ACTUATOR, VERTICAL BAR, S.L.V.D.
28 20 00.A1	VIDEO CAMERA
48 14 00.A1	PV PANEL
48 14 00.A2	FUTURE PV PANEL

5B A3.1 RECESS 1 - ELEV B
SCALE: 1/8" = 1'-0"

5A A3.1 RECESS 1 - ELEV A
SCALE: 1/8" = 1'-0"

4B A3.1 RECESS 2 - ELEV B
SCALE: 1/8" = 1'-0"

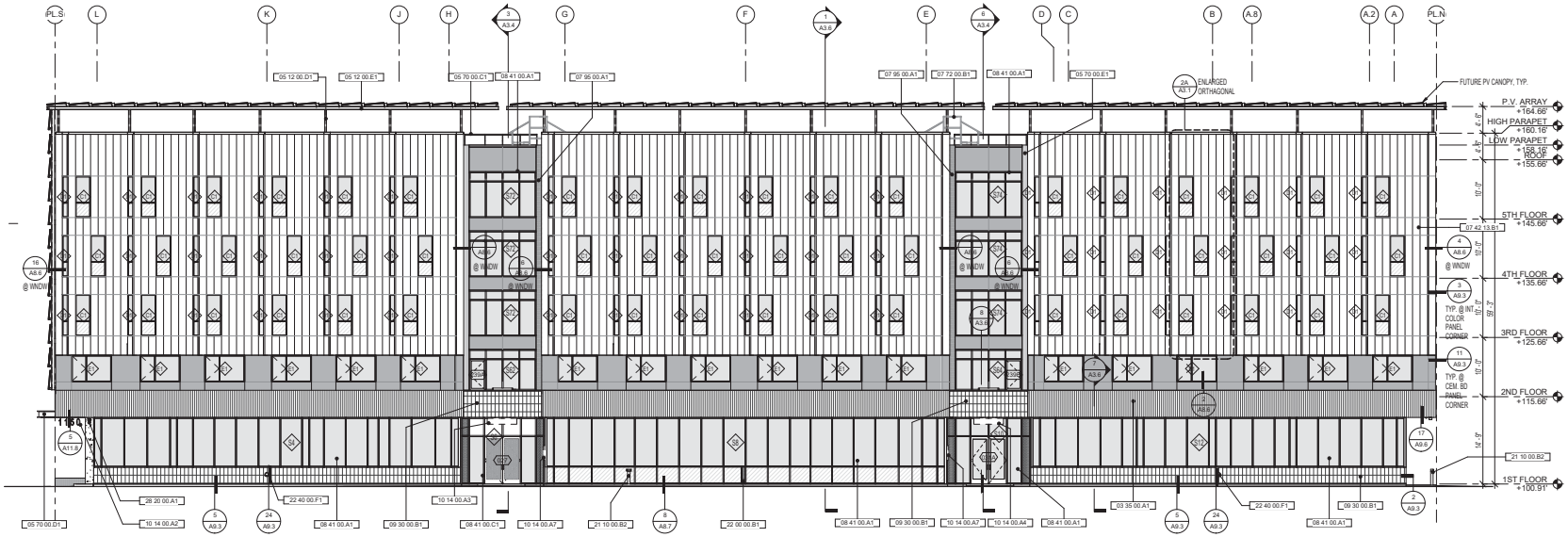
4A A3.1 RECESS 2 - ELEV A
SCALE: 1/8" = 1'-0"

3B A3.1 MISSION ROCK RECESS - WEST
SCALE: 1/8" = 1'-0"

3A A3.1 MISSION ROCK RECESS - EAST
SCALE: 1/8" = 1'-0"

2B A3.1 TYP. ANGLED BAY - ELEV B
SCALE: 1/4" = 1'-0"

2A A3.1 TYP. ANGLED BAY - ELEV A (SHOWN ORTHAGONAL)
SCALE: 1/4" = 1'-0"



1 A3.1 EAST ELEVATION
SCALE: 1/8" = 1'-0"

LEGEND:

- INTEGRAL COLOR FIBER CEMENT 16" PANEL 07 42 13
- INTEGRAL COLOR FIBER CEMENT PANEL 07 42 13
- PTD. FIBER CEMENT PANEL 07 44 00
- UNPTD. FIBER CEMENT PANEL 07 44 00
- CEMENT PLASTER 09 24 00
- SEISMIC JT COVER 07 62 00
- EXTERIOR WALL TILE 09 30 00
- SEISMIC GAP COVER 07 62 00
- METAL PANEL SYSTEM 05 70 00
- ARCHITECTURAL EXPOSED CONCRETE 03 35 00
- BOARD FORMED ARCHITECTURAL CONCRETE 03 35 00
- GLAZING 08 81 00
- TRANSLUCENT GLAZING 08 81 00

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PROJECT
MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

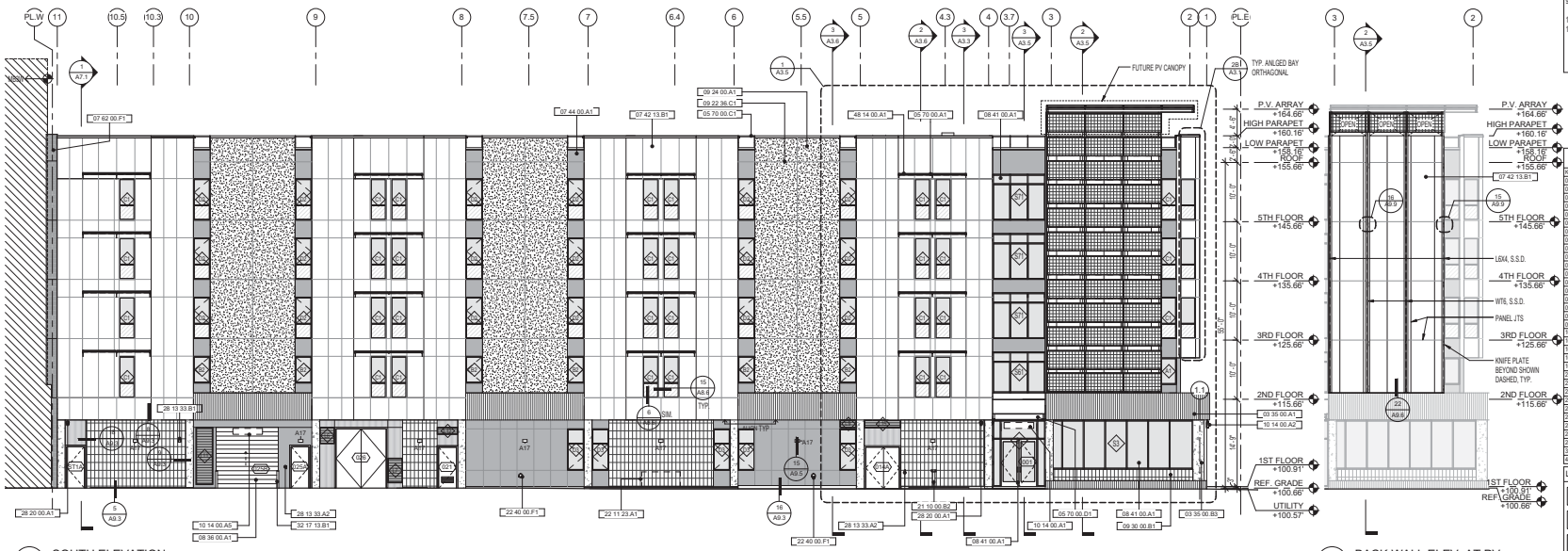
DATE: 4/21/1
JOB No: 150
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: As indicated

SHEET TITLE
EXTERIOR ELEVATIONS

SHEET No
A3.1

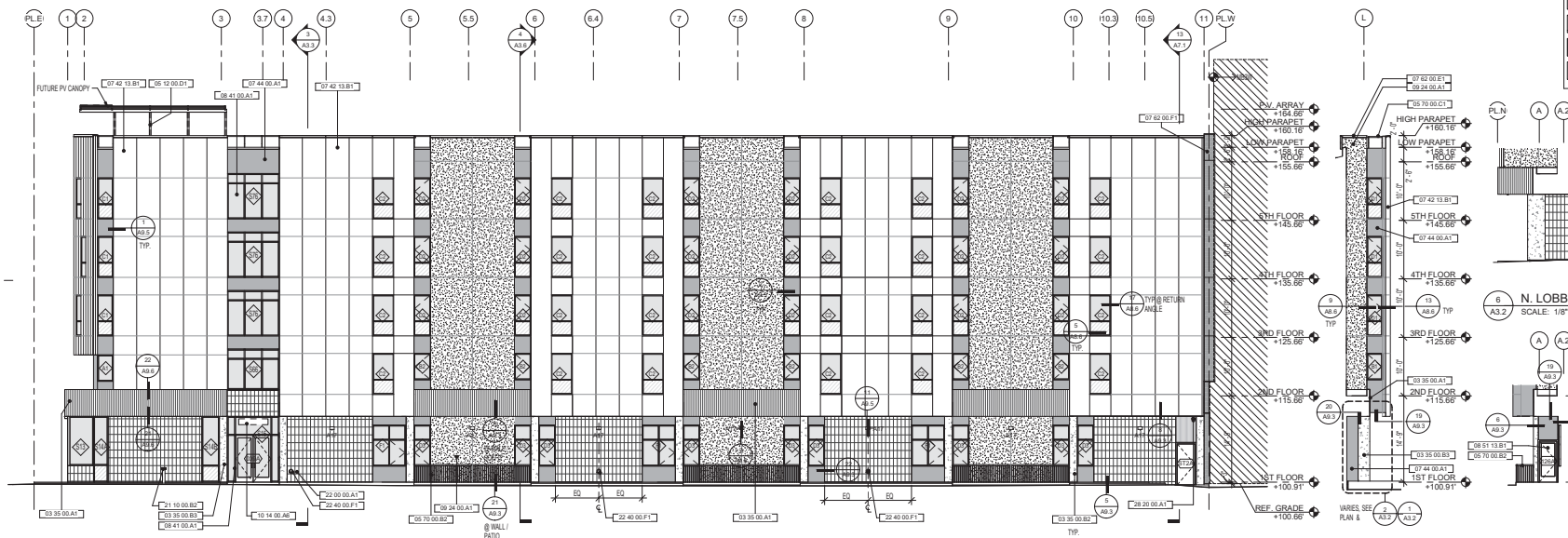
SHEET NOTES:

1. REF. GRADE WHERE INDICATED = ELEVATION @ INTERSECTION SOUTH & WEST PROPERTY LINES.
2. 1ST FLOOR ELEVATIONS = T.O. CONCRETE SLAB, U.N.O.
3. UPPER COURTYARD ELEVATION = T.O. PAVERS AT EAST EDGE. S.L.D. UPPER COURTYARD CONC SLAB AND FINISH ELEVATIONS SLOPE TOWARD LOWER CTYD. SEE SLAB PLAN FOR SLAB SLOPE. SEE LANDSCAPE DRAWINGS FOR FINISH GRADING.
4. 2ND FLOOR THROUGH 5TH FLOOR ELEVATIONS = T.O. GYPCRETE.
5. ROOF ELEVATION = T.O. ROOF STRUCTURE W/O. SHEATHING.
6. FOR WINDOW EMERGENCY ESCAPE AND RESUCE OPENING REQUIREMENTS SEE A0.2A
7. FOR ALL CONCRETE TYP. N.U.O. SEE A0.2A FOR ELEVATIONS.
8. FOR INTEGRAL COLOR FIBER CEMENT PANEL COLOR PATTERN SEE SPECIFICATIONS APPENDIX .
9. FOR TYPICAL FASTENER LAYOUT AT CEM. BD SEE 21 / A9.4
10. FOR TYPICAL FASTENER LAYOUT AT INT. COLOR FIBER CEM. PANELS SEE 23 / A9.4



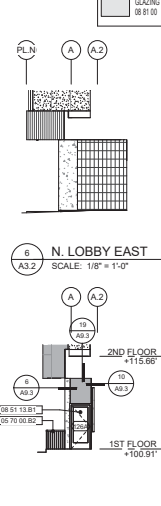
8 A3.2 SOUTH ELEVATION
SCALE: 1/8" = 1'-0"

7 A3.2 BACK WALL ELEV. AT PV
SCALE: 1/8" = 1'-0"

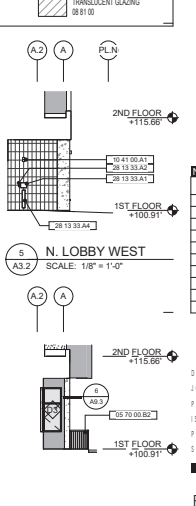


4 A3.2 NORTH ELEVATION
SCALE: 1/8" = 1'-0"

3 A3.2 TYP. RECESS AT N/S
SCALE: 1/8" = 1'-0"



6 A3.2 N. LOBBY EAST
SCALE: 1/8" = 1'-0"



5 A3.2 N. LOBBY WEST
SCALE: 1/8" = 1'-0"

2 A3.2 TYP @ PATIO DR
SCALE: 1/8" = 1'-0"

1 A3.2 TYP @ PATIO WNDW
SCALE: 1/8" = 1'-0"

KEYNOTES

KEYNOTE	ITEM
03 35 00.A1	BD-FORMED ARCH. CONCRETE SPANDREL, SEE ALSO STRUCT. DWGS
03 35 00.B2	ARCH. CONC. COLUMN, ARCH. FINISH
03 35 00.B3	CONC. COLUMN S.S.D., ARCH. FINISH
05 12 00.D1	HSS PV SUPPORT, S.S.D.
05 70 00.A1	METAL SUNSHADE
05 70 00.B2	ORNAMENTAL MTL. FENCE, SEE ALSO LANDSCAPE DWGS
05 70 00.C1	METAL GUARDRAIL
05 70 00.D1	ENTRY CANOPY W/ STEEL STRUCTURE
07 42 13.B1	INTEGRAL COLORED FIBER CEMENT PANEL RAINSCREEN
07 44 00.A1	PTD. FIBER CEMENT PANEL
07 62 00.E1	PARAPET CAP FLASHING
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
08 36 00.A1	MOTORIZED SLAT ALUM. GARAGE DR.
08 41 00.A1	ALUM. STOREFRONT
08 51 13.B1	ALUM. DOOR
09 22 36.C1	CONTROL JT.
09 24 00.A1	CEMENT PLASTER
09 30 00.B1	EXTERIOR WALL TILE
10 14 00.A1	BUILDING IDENTIFICATION SIGNAGE
10 14 00.A2	BUILDING ADDRESS SIGNAGE
10 14 00.A5	GARAGE HEIGHT SIGNAGE
10 14 00.A6	BUILDING ENTRANCE & MULTIPURPOSE ROOM SIGNAGE
10 41 00.A1	LOCK BOX
21 10 00.B2	FREE-STANDING F.D.C.
22 00 00.A1	HOSE BIB, S.P.D.
22 11 23.A1	GAS METERS, S.P.D. & S.C.D.
22 40 00.F1	THROUGH-WALL DOWNSPOUT BOOT, S.P.D.
28 13 33.A1	ENTRY SYSTEM, S.L.V.D.
28 13 33.A2	KEY FOB CARD READER, S.L.V.D.
28 13 33.A4	POWER DOOR ACTUATOR, VERTICAL BAR, S.L.V.D.
28 13 33.B1	GARAGE DOOR HORN & STROBE WARNING DEVICE, S.L.V.D.
28 20 00.A1	VIDEO CAMERA
32 17 13.B1	CEMENT-FILLED STL BOLLARD, 4" DIA, PTD
48 14 00.A1	PV PANEL

LEGEND:

- INTEGRAL COLOR FIBER CEMENT 16" PANEL 07 42 13
- INTEGRAL COLOR FIBER CEMENT PANEL 07 42 13
- PTD. FIBER CEMENT PANEL 07 44 00
- UNPTD. FIBER CEMENT PANEL 07 44 00
- CEMENT PLASTER 09 24 00
- SEISMIC JT COVER 07 62 00
- EXTERIOR WALL TILE 09 30 00
- SEISMIC GAP COVER 07 62 00
- METAL PANEL SYSTEM 05 70 00
- ARCHITECTURAL EXPOSED CONCRETE 03 35 00
- BOARD FORMED ARCHITECTURAL CONCRETE 03 35 00
- GLAZING 08 81 00
- TRANSLUCENT GLAZING 08 81 00

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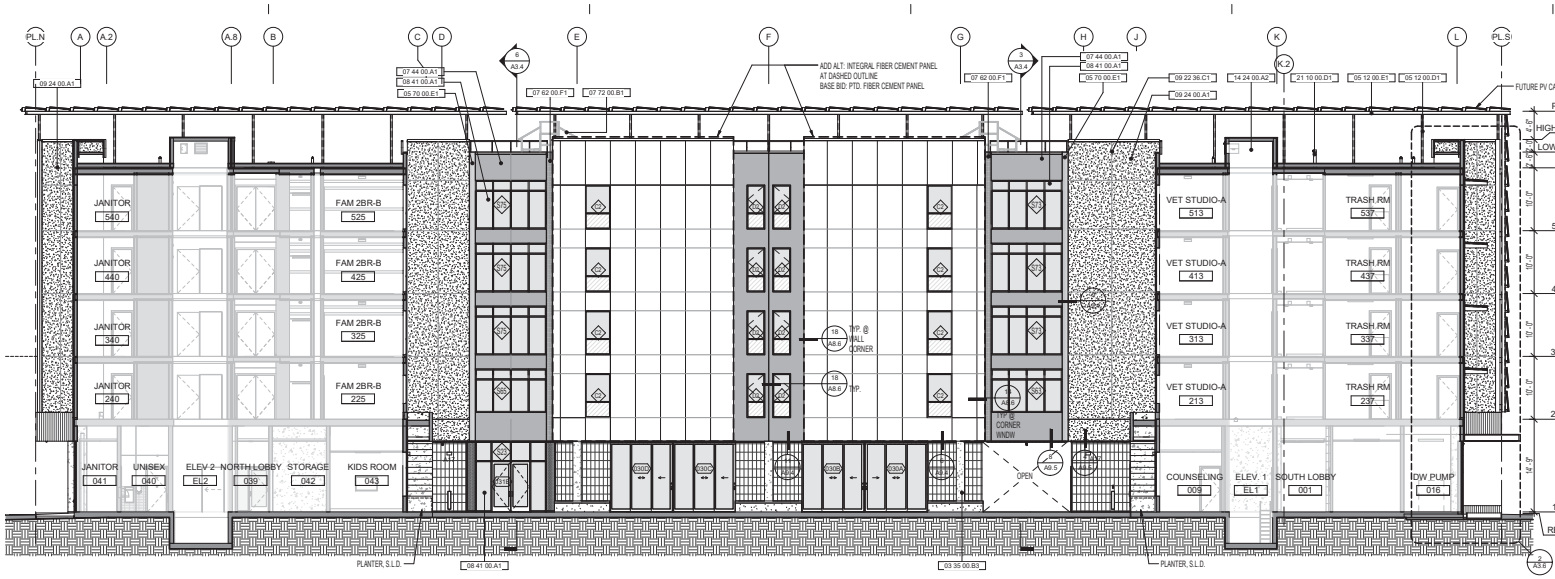
PROJECT
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STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/2/17
JOB No: 06
PHASE: D
ISSUED FOR: 50% D
PERMIT No: NA
SCALE: 1/8" = 1'-0"

SHEET TITLE
EXTERIOR ELEVATIONS

SHEET No
A3.2



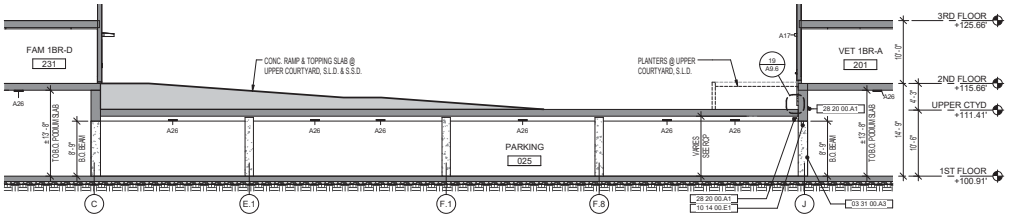
3 A3.3 LONGITUDINAL SECTION / COURTYARD ELEVATION LOOKING EAST
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. REF. GRADE WHERE INDICATED = ELEVATION @ INTERSECTION SOUTH & WEST PROPERTY LINES.
2. 1ST FLOOR ELEVATIONS = T.O. CONCRETE SLAB, U.N.O.
3. UPPER COURTYARD ELEVATION = T.O. PAVERS AT EAST EDGE. S.L.D. UPPER COURTYARD CONC SLAB AND FINISH ELEVATIONS SLOPE TOWARD LOWER CTYD. SEE SLAB PLAN FOR SLAB SLOPE. SEE LANDSCAPE DRAWINGS FOR FINISH GRADING.
4. 2ND FLOOR THROUGH 5TH FLOOR ELEVATIONS = T.O. GYPCRETE.
5. ROOF ELEVATION = T.O. ROOF STRUCTURE W/O. SHEATHING.
6. FOR WINDOW EMERGENCY ESCAPE AND RESUCE OPENING REQUIREMENTS SEE A0.2A
7. FOR BUILDING SIGNAGE REGULATIONS SEE A0.2A.
8. PROVIDE CONTROL JTS TYP. AT CEM. PLASTER PER ELEVATIONS.
9. FOR INTEGRAL COLOR FIBER CEMENT PANEL COLOR PATTERN SEE SPECIFCATIONS APPENDIX .
10. FOR TYPICAL FASTENER LAYOUT AT CEM. BD SEE 21 / A9.4
11. FOR TYPICAL FASTENER LAYOUT AT INT. COLOR FIBER CEM. PANELS SEE 23 / A9.4

KEYNOTES

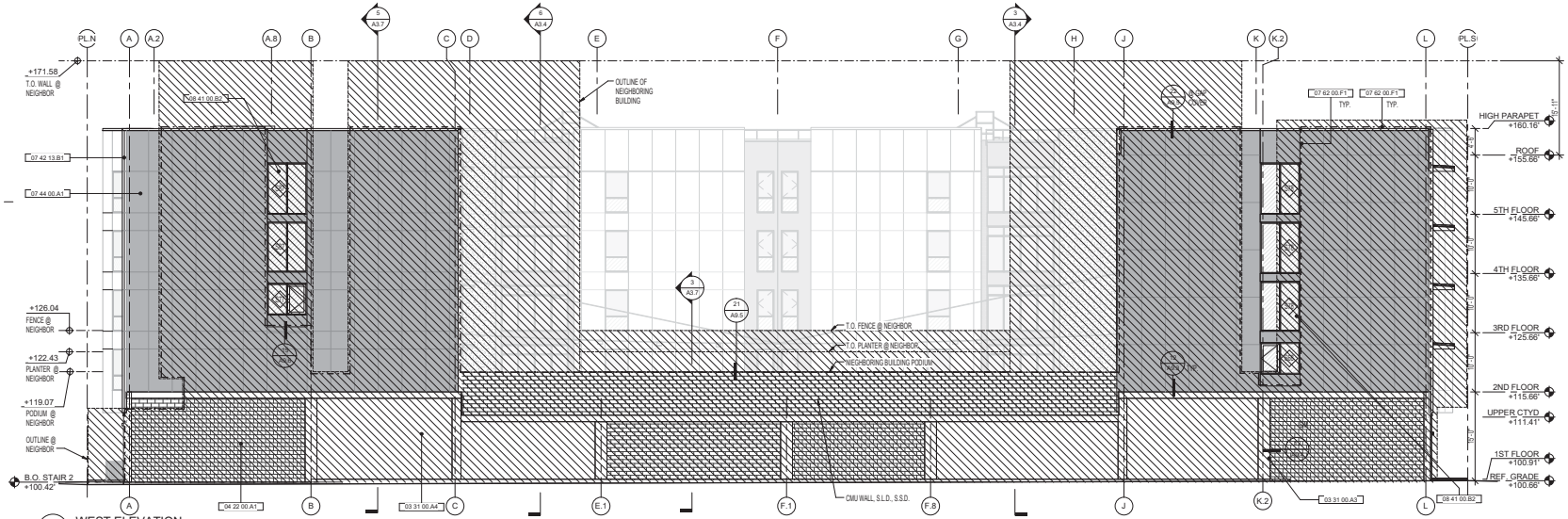
KEYNOTE	ITEM
03 31 00.A3	CONC. COLUMN, S.S.D.
03 31 00.A4	CONC. SHEAR WALL, S.S.D.
03 35 00.B3	CONC. COLUMN S.S.D., ARCH. FINISH
04 22 00.A1	CMU
05 12 00.D1	HSS PV SUPPORT, S.S.D.
05 12 00.E1	WIDE FLANGE, S.S.D.
05 70 00.E1	METAL PANEL SYSTEM
07 42 13.B1	INTEGRAL COLORED FIBER CEMENT PANEL RAINSCREEN
07 44 00.A1	PTD. FIBER CEMENT PANEL
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
07 72 00.B1	CROSSOVER STAIRS
08 41 00.A1	ALUM. STOREFRONT
08 41 00.B2	ALUM. STOREFRONT WITH DELUGE SYSTEM
09 22 36.C1	CONTROL JT.
09 24 00.A1	CEMENT PLASTER
10 14 00.E1	GARAGE VERTICAL CLEARANCE BAR & SIGNAGE
14 24 00.A2	ELEVATOR OVERRUN
21 10 00.D1	ROOF FIRE HOSE CONNECTION
28 20 00.A1	VIDEO CAMERA



2 A3.3 LONGITUDINAL SECTION @ GARAGE / UPPER CTYD RAMP
SCALE: 1/8" = 1'-0"

LEGEND:

- INTEGRAL COLOR FIBER CEMENT 16" PANEL 07 42 13
- INTEGRAL COLOR FIBER CEMENT PANEL 07 42 13
- PTD. FIBER CEMENT PANEL 07 44 00
- UNPTD. FIBER CEMENT PANEL 07 44 00
- CEMENT PLASTER 09 24 00
- SEISMIC JT COVER 07 62 00
- EXTERIOR WALL TILE 09 30 00
- SEISMIC GAP COVER 07 62 00
- METAL PANEL SYSTEM 05 70 00
- ARCHITECTURAL EXPOSED CONCRETE 03 35 00
- BOARD FORMED ARCHITECTURAL CONCRETE 03 35 00
- GLAZING 08 81 00
- TRANSLUCENT GLAZING 08 81 00



1 A3.3 WEST ELEVATION
SCALE: 1/8" = 1'-0"

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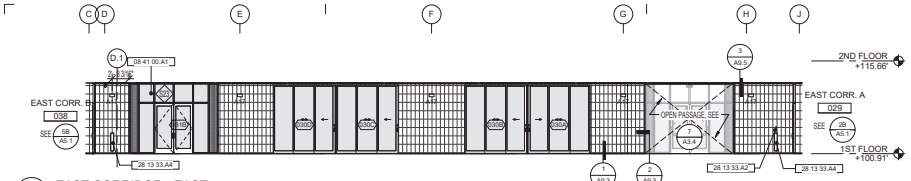
PROJECT
MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

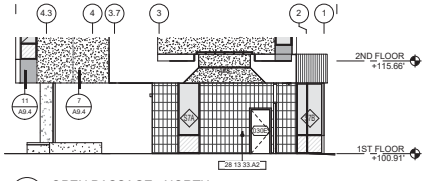
DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
EXTERIOR ELEVATIONS & BUILDING SECTIONS

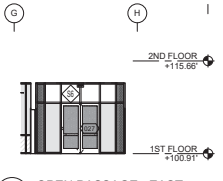
SHEET No
A3.3



9 A3.4 EAST CORRIDOR - EAST
SCALE: 1/8" = 1'-0"



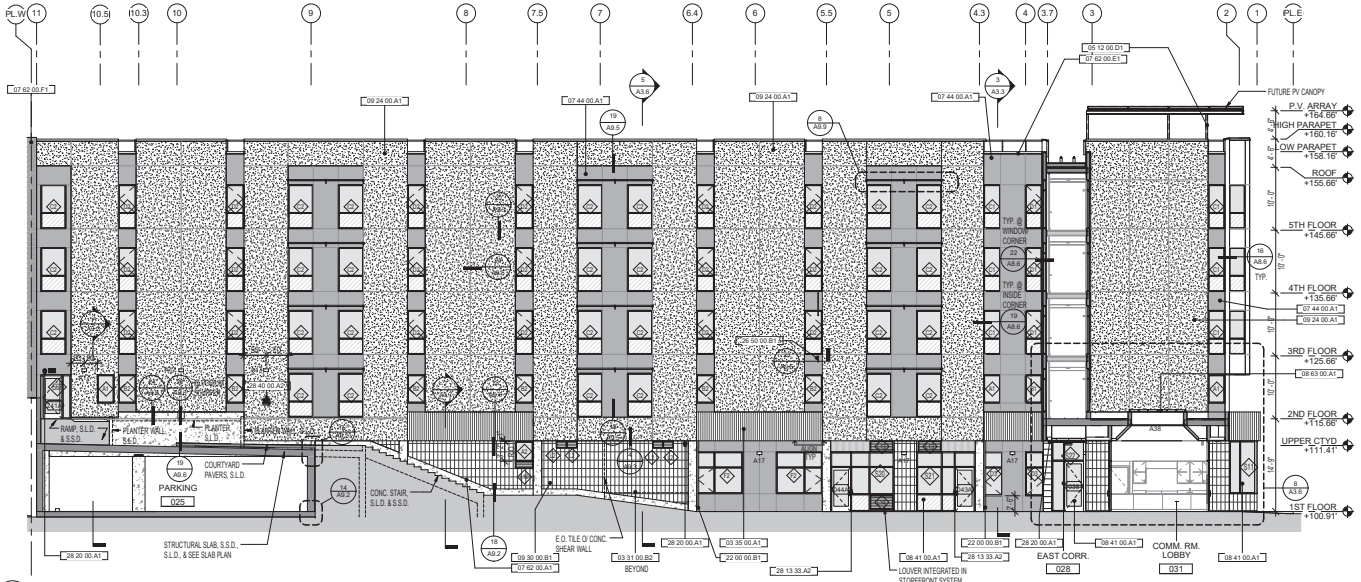
8 A3.4 OPEN PASSAGE - NORTH
SCALE: 1/8" = 1'-0"



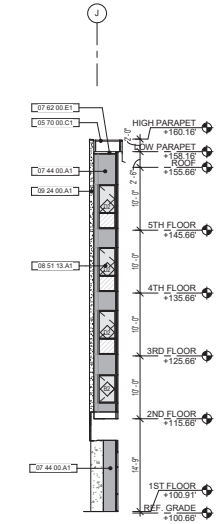
7 A3.4 OPEN PASSAGE - EAST
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. REF. GRADE WHERE INDICATED = ELEVATION @ INTERSECTION SOUTH & WEST PROPERTY LINES.
2. 1ST FLOOR ELEVATIONS = T.O. CONCRETE SLAB, U.N.O.
3. UPPER COURTYARD ELEVATION = T.O. PAVERS AT EAST EDGE. S.L.D. UPPER COURTYARD CONC SLAB AND FINISH ELEVATIONS SLOPE TOWARD LOWER CTYD. SEE SLAB PLAN FOR SLAB SLOPE. SEE LANDSCAPE DRAWINGS FOR FINISH GRADING.
4. 2ND FLOOR THROUGH 5TH FLOOR ELEVATIONS = T.O. GYPCRETE.
5. ROOF ELEVATION = T.O. ROOF STRUCTURE W/D. SHEATHING.
6. FOR WINDOW EMERGENCY ESCAPE AND RESCUE OPENING REQUIREMENTS SEE A0.2A
7. FOR BUILDING SIGNAGE REGULATIONS SEE A0.2A.
8. PROVIDE CONTROL JTS TYP. AT CEM. PLASTER PER ELEVATIONS.
9. FOR INTEGRAL COLOR FIBER CEMENT PANEL COLOR PATTERN SEE SPECIFICATIONS APPENDIX .
10. FOR TYPICAL FASTENER LAYOUT AT CEM. BD SEE 21 / A9.4
11. FOR TYPICAL FASTENER LAYOUT AT INT. COLOR FIBER CEM. PANELS SEE 23 / A9.4



6 A3.4 TRANSVERSE SECTION / COURTYARD ELEVATION LOOKING NORTH
SCALE: 1/8" = 1'-0"



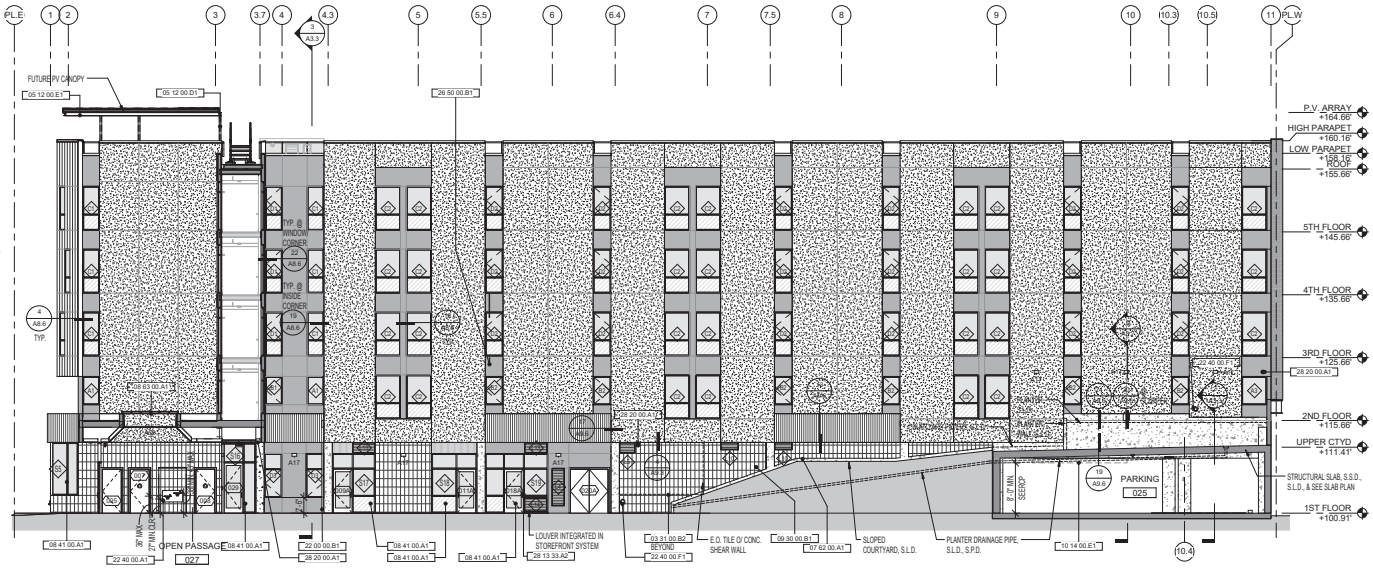
5 A3.4 TYP. COURTYARD BAY RECESS
SCALE: 1/8" = 1'-0"

KEYNOTES

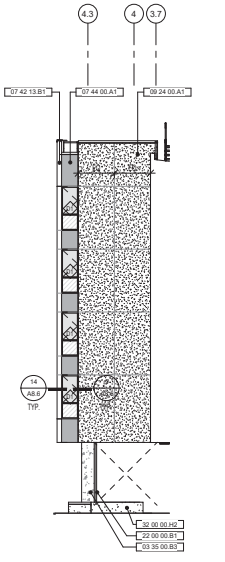
KEYNOTE	ITEM
03 31 00.B2	CONC. STEM WALL
03 35 00.A1	BD-FORMED ARCH. CONCRETE SPANDREL, SEE ALSO STRUCT. DWGS
03 35 00.B3	CONC. COLUMN S.S.D., ARCH. FINISH
05 12 00.D1	HSS PV SUPPORT, S.S.D.
05 12 00.E1	WIDE FLANGE, S.S.D.
05 70 00.C1	METAL GUARDRAIL
07 42 13.B1	INTEGRAL COLORED FIBER CEMENT PANEL RAINSCREEN
07 44 00.A1	PTD. FIBER CEMENT PANEL
07 62 00.A1	SHEET METAL FLASHING
07 62 00.E1	PARAPET CAP FLASHING
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
08 41 00.A1	ALUM. STOREFRONT
08 51 13.A1	ALUM. WINDOW
08 63 00.A1	ALUM. SKYLIGHT AT 2ND FLOOR GREEN ROOF
09 24 00.A1	CEMENT PLASTER
09 30 00.B1	EXTERIOR WALL TILE
10 14 00.E1	GARAGE VERTICAL CLEARANCE BAR & SIGNAGE
22 00 00.A1	HOSE BIB, S.P.D.
22 00 00.B1	RAIN WATER PIPING, PTD WHERE EXPOSED, S.P.D.
22 40 00.A1	ACCESSIBLE DRINKING FOUNTAIN, 4" MIN. WATER STREAM
22 40 00.F1	THROUGH-WALL DOWNSPOUT BOOT, S.P.D.
26 50 00.B1	LIGHT FIXTURE W/ STL CABLE ATTACHED TO BLDG, S.E.D. & S.S.D.
28 13 33.A2	KEY FOB CARD READER, S.L.V.D.
28 13 33.A4	POWER DOOR ACTUATOR, VERTICAL BAR, S.L.V.D.
28 20 00.A1	VIDEO CAMERA
28 40 00.A2	EXIT SIGN, WALL-MTD, S.E.D.
32 00 00.H2	PLANTER, S.C.D & S.L.D.

LEGEND:

- INTEGRAL COLOR FIBER CEMENT 16" PANEL 07 42 13
- INTEGRAL COLOR FIBER CEMENT PANEL 07 42 13
- PTD. FIBER CEMENT PANEL 07 44 00
- UNPTD. FIBER CEMENT PANEL 07 44 00
- CEMENT PLASTER 09 24 00
- SEISMIC JT COVER 07 62 00
- EXTERIOR WALL TILE 09 30 00
- SEISMIC GAP COVER 07 62 00
- METAL PANEL SYSTEM 05 70 00
- ARCHITECTURAL EXPOSED CONCRETE 03 35 00
- BOARD FORMED ARCHITECTURAL CONCRETE 03 35 00
- GLAZING 08 81 00
- TRANSLUCENT GLAZING 08 81 00



3 A3.4 TRANSVERSE SECTION / COURTYARD ELEVATION LOOKING SOUTH
SCALE: 1/8" = 1'-0"



4 A3.4 COMM. RM LOBBY RECESS SOUTH - B
SCALE: 1/8" = 1'-0"

1 A3.4 COMM. RM LOBBY RECESS SOUTH - A
SCALE: 1/8" = 1'-0"

2 A3.4 COURTYARD END BAY SIDE
SCALE: 1/8" = 1'-0"

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PROJECT

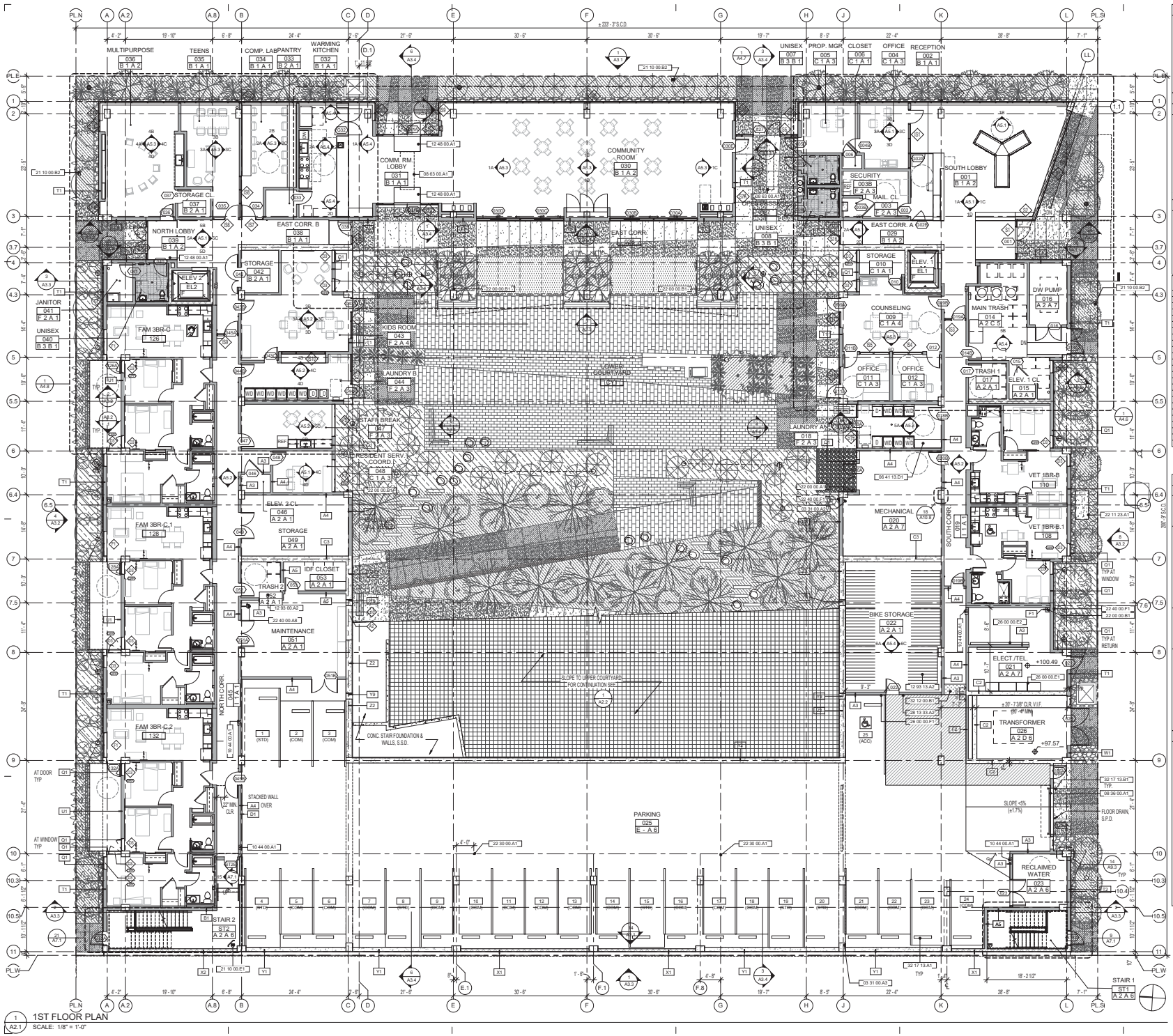
MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/2/17
JOB No: 1506
PHASE: CD
ISSUED FOR: 50% CD
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
EXTERIOR ELEVATIONS & BUILDING SECTIONS

SHEET No
A3.4



1 1ST FLOOR PLAN
A2.1 SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR UPPER AND LOWER COURTYARD, SEE LANDSCAPE DRAWINGS
2. FOR UNIT PLANS AND FINISHES, SEE A4.X
3. FOR LANDSCAPE & PAVING AT BUILDING PERIMETER, S.C.D., S.L.D.
4. FURNITURE SHOWN FOR REFERENCE, W.O.
5. AT RESIDENT LAUNDRY ROOM, MIN. (2) DRYERS & MIN. (2) WASHERS REQ'D TO BE ACCESSIBLE; FRONT LOADING WITH A.D.A. DIMENSIONAL & CONTROL REQUIREMENTS.
6. SEE RCPS & INTERIOR ELEVATIONS FOR ADDL FINISHES NOT NOTED IN FINISH KEY.
7. SEE A0.2B & A0.2C FOR FIRE RATED PARTITION LOCATIONS AND EGRESS REQ'S.
8. FOR INTERIOR STOREFRONTS SEE INTERIOR ELEVATIONS.

FINISH KEY

FLOOR	WALL
A. CONCRETE, TROWELLED W/ CLEAR SEALER	A. GYP. BD., PTD.
B. INTEGRAL COLOR POLISHED CONC.	B. TILE
C. CARPET TILE	C. SHT. MTL WALL PANEL O/ GYP. BD.
D. NOT USED	D. CONCRETE
E. CONCRETE W/ BROOM FINISH	E. VARIES, PTD.
F. SHEET RUBBER	
G. TILE	
H. LUXURY VINYL PLANK (L.V.P.)	
I. LUXURY VINYL TILE (L.V.T.)	
J. SHEET VINYL	

BASE	CEILING
1. PAINTED MDF	1. GYP. BD., PTD.
2. RUBBER WALL BASE	2. VARIES, SEE LEGEND
3. TILE	3. ACOUSTICAL CEILING TILE
4. CONCRETE MASONRY UNIT	4. GYP. BD., PTD & A.C.T.
	5. 4' X 8' CMT. BD. IN MTL T-GRID
	6. EXPOSED TO STRUCTURE
	7. EXPOSED W/ SPRAY INSULATION
	8. STUCCO

FLOOR BASE WALL CEILING — A 1 A 1

KEYNOTES

KEYNOTE	ITEM
03 31 00.A2	POST-TENSIONED CONC. SLAB, S.S.D.
03 31 00.A3	CONC. COLUMN, S.S.D.
06 41 13.D1	LAUNDRY FOLDING TABLE
08 36 00.A1	MOTORIZED SLAT ALUM. GARAGE DR.
08 63 00.A1	ALUM. SKYLIGHT AT 2ND FLOOR GREEN ROOF
10 44 00.A1	PTD. SEMI-RECESSED FIRE EXTINGUISHER CAB.
12 48 00.A1	RECESSED ALUM. ENTRY GRATE
12 93 00.A2	TRASH TOTER BIN, TYP., M.L.C.
12 93 13.A2	DOUBLE DECKER BIKE RACKS
21 10 00.B2	FREE-STANDING F.D.C.
21 10 00.E1	STANDPIPE W/ FIRE HOSE CONNECTION
22 00 00.A1	HOSE BIB, S.P.D.
22 00 00.B1	RAIN WATER PIPING, PTD WHERE EXPOSED, S.P.D.
22 11 23.A1	GAS METERS, S.P.D. & S.C.D.
22 30 00.A1	FLOOR DRAIN, S.P.D.
22 40 00.A8	EYE WASH STATION
22 40 00.F1	THROUGH-WALL DOWNSPOUT BOOT, S.P.D.
26 00 00.E1	ELEC. SWITCHBOARDS, S.E.D.
26 00 00.E2	ELEC. METERS, S.E.D.
26 00 00.F1	FUTURE ELEC. CAR CONNECTION, S.E.D.
28 13 33.A2	KEY FOB CARD READER, S.L.V.D.
32 12 00.B1	TACTILE WARNING STRIP
32 17 13.A1	PRECAST CONC. WHEEL STOP, TYP.
32 17 13.B1	CEMENT-FILLED STL BOLLARD, 4" DIA, PTD

UNIT PLAN KEY:

UNIT TYPE			SEE DRAWING
STUDIO	VET	STUDIO-A	9 / A4.1
	VET	STUDIO-B	10 / A4.1
	VET	STUDIO-B.1	10 / A4.1
1 BEDROOM	VET	1BR-A	9 / A4.2
	VET	1BR-A.1	21 / A4.2
	VET	1BR-A.2	17 / A4.1
	VET	1BR-B	10 / A4.2
	VET	1BR-B.1	22 / A4.2
	FAM	1BR-C	12 / A4.2
	FAM	1BR-C.1	23 / A4.2
	FAM	1BR-D	22 / A4.3
2 BEDROOM	FAM	2BR-A	13 / A4.3
	FAM	2BR-A.1	13 / A4.3 SIM.
	FAM	2BR-B	14 / A4.3
	FAM	2BR-C	21 / A4.3
3 BEDROOM	FAM	3BR-A	23 / A4.4
	FAM	3BR-A.1	15 / A4.4
	FAM	3BR-A.2	15 / A4.5
	FAM	3BR-B	23 / A4.5
	FAM	3BR-B.1	21 / A4.5
	FAM	3BR-C	21 / A4.4
	FAM	3BR-C.1	13 / A4.4
	FAM	3BR-C.2	13 / A4.5

LEGEND:

- MOBILITY UNIT / ACCESSIBLE PARKING STALL
- COMMUNICATION UNIT
- MGR MANAGER UNIT
- CONCRETE COLUMN / WALL, S.S.D.
- CMU WALL, S.S.D.
- 2 HR RATED FIRE WALL W/ HORIZONTAL EXIT

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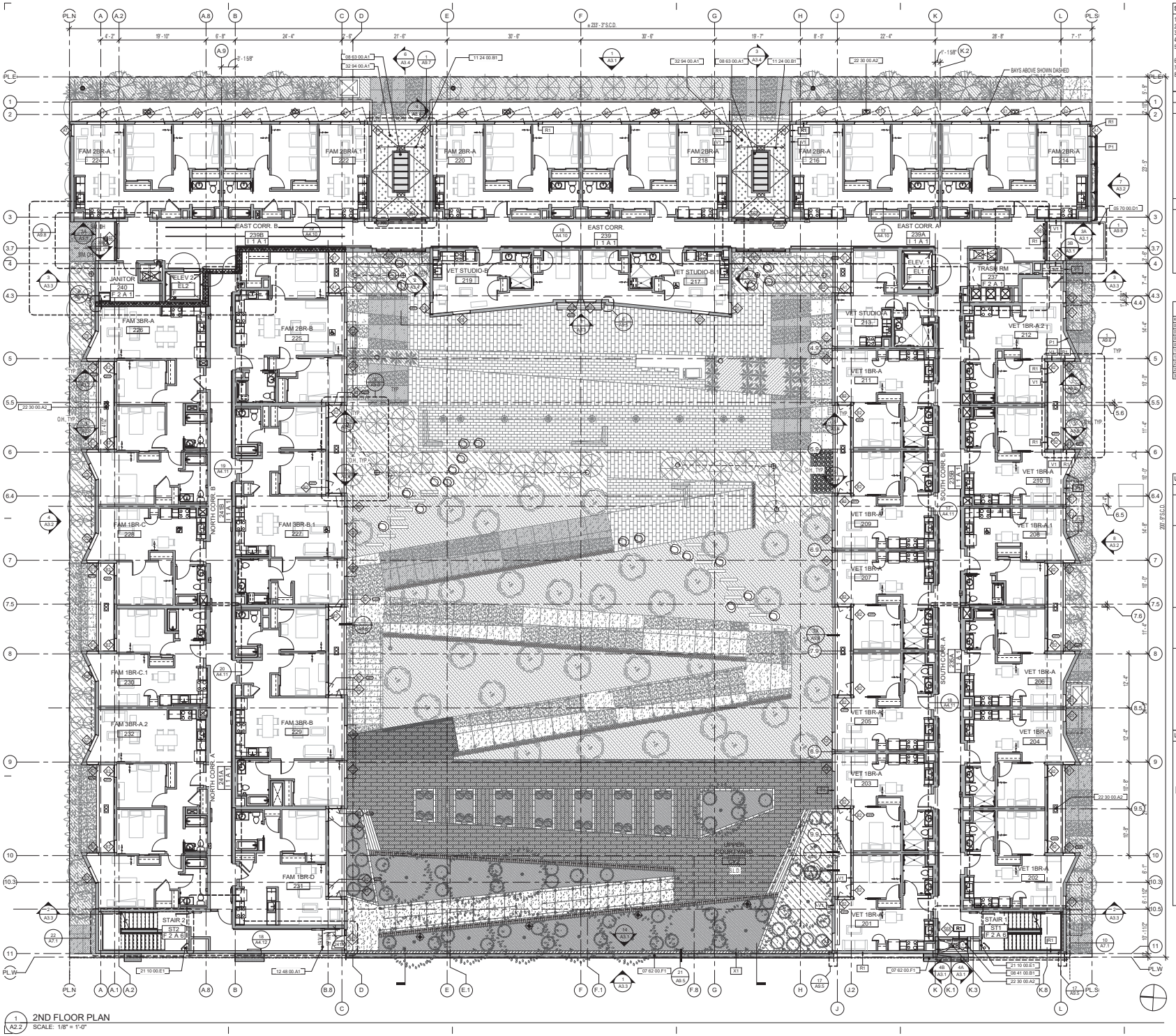
MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
FIRST FLOOR PLAN

SHEET No
A2.1



1 2ND FLOOR PLAN
A2.2 SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR UPPER AND LOWER COURTYARD, SEE LANDSCAPE DRAWINGS
2. FOR UNIT PLANS AND FINISHES, SEE A4.X
3. FOR LANDSCAPE & PAVING AT BUILDING PERIMETER, S.C.D., S.L.D.
4. FURNITURE SHOWN FOR REFERENCE, W.O.
5. AT RESIDENT LAUNDRY ROOM, MIN. (2) DRYERS & MIN. (2) WASHERS REQ'D TO BE ACCESSIBLE; FRONT LOADING WITH A.D.A. DIMENSIONAL & CONTROL REQUIREMENTS.
6. SEE RCPS & INTERIOR ELEVATIONS FOR ADDL FINISHES NOT NOTED IN FINISH KEY.
7. SEE A0.2B & A0.2C FOR FIRE RATED PARTITION LOCATIONS AND EGRESS REQ'S.
8. FOR INTERIOR STOREFRONTS SEE INTERIOR ELEVATIONS.

FINISH KEY

FLOOR	
A. CONCRETE, TROWELLED W/ CLEAR SEALER B. INTEGRAL COLOR POLISHED CONC. C. CARPET TILE D. NOT USED E. CONCRETE W/ BROOM FINISH F. SHEET RUBBER G. TILE H. LUXURY VINYL PLANK (L.V.P.) I. LUXURY VINYL TILE (L.V.T.) J. SHEET VINYL	A 1 A 1 FLOOR BASE WALL CEILING
BASE	**CEILING**
1. PAINTED MDF 2. RUBBER WALL BASE 3. TILE 4. CONCRETE MASONRY UNIT	1. GYP. BD., PTD. 2. VARIES, SEE LEGEND 3. ACOUSTICAL CEILING TILE 4. GYP. BD., PTD.& A.C.T. 5. 4' X 8' CMT. BD. IN MTL T-GRID 6. EXPOSED TO STRUCTURE 7. EXPOSED W/ SPRAY INSULATION 8. STUCCO

KEYNOTES

KEYNOTE	ITEM
05 70 00.D1	ENTRY CANOPY W/ STEEL STRUCTURE
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
08 41 00.B1	FIRE-RATED, GLAZED ACCESS DOOR
08 63 00.A1	ALUM. SKYLIGHT AT 2ND FLOOR GREEN ROOF
11 24 00.B1	FALL RESTRAINT LINE, SEE E.B.M. DWGS
12 48 00.A1	RECESSED ALUM. ENTRY GRATE
21 10 00.E1	STANDPIPE W/ FIRE HOSE CONNECTION
22 30 00.A2	ROOF DRAIN & OVERFLOW, TYP. S.P.D.
32 94 00.A1	GREEN ROOF SYSTEM, S.L.D.

UNIT PLAN KEY:

UNIT TYPE			SEE DRAWING
STUDIO	VET	STUDIO-A	9 / A4.1
	VET	STUDIO-B	10 / A4.1
	VET	STUDIO-B.1	10 / A4.1
1 BEDROOM	VET	1BR-A	9 / A4.2
	VET	1BR-A.1	21 / A4.2
	VET	1BR-A.2	17 / A4.1
	VET	1BR-B	10 / A4.2
	VET	1BR-B.1	22 / A4.2
	FAM	1BR-C	12 / A4.2
	FAM	1BR-C.1	23 / A4.2
	FAM	1BR-D	22 / A4.3
2 BEDROOM	FAM	2BR-A	13 / A4.3
	FAM	2BR-A.1	13 / A4.3 SIM.
	FAM	2BR-B	14 / A4.3
	FAM	2BR-C	21 / A4.3
3 BEDROOM	FAM	3BR-A	23 / A4.4
	FAM	3BR-A.1	15 / A4.4
	FAM	3BR-A.2	15 / A4.5
	FAM	3BR-B	23 / A4.5
	FAM	3BR-B.1	21 / A4.5
	FAM	3BR-C	21 / A4.4
	FAM	3BR-C.1	13 / A4.4
	FAM	3BR-C.2	13 / A4.5

LEGEND:

- MOBILITY UNIT / ACCESSIBLE PARKING STALL
- COMMUNICATION UNIT
- MGR MANAGER UNIT
- CONCRETE COLUMN / WALL, S.S.D.
- CMU WALL, S.S.D.
- 2 HR RATED FIRE WALL W/ HORIZONTAL EXIT

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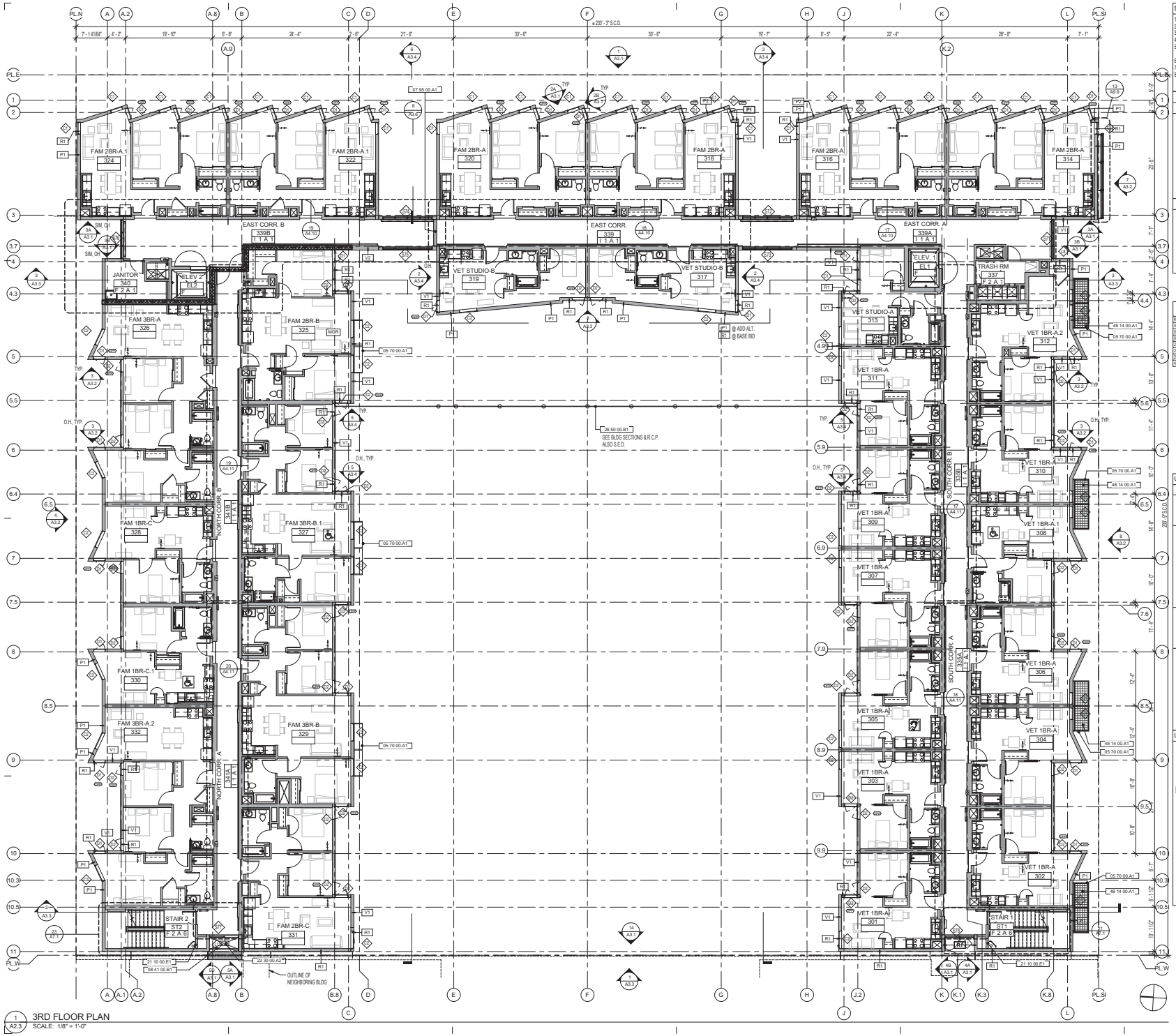
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STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
SECOND FLOOR PLAN

SHEET No
A2.2



1 A2.3 3RD FLOOR PLAN
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR UPPER AND LOWER COURTYARD, SEE LANDSCAPE DRAWINGS
2. FOR UNIT PLANS AND FINISHES, SEE A4.X
3. FOR LANDSCAPE & PAVING AT BUILDING PERIMETER, S.C.D., S.L.D.
4. FURNITURE SHOWN FOR REFERENCE, W.O.
5. AT RESIDENT LAUNDRY ROOM, MIN. (2) DRYERS & MIN. (2) WASHERS REQ'D TO BE ACCESSIBLE; FRONT LOADING WITH A.D.A. DIMENSIONAL & CONTROL REQUIREMENTS.
6. SEE RCPS & INTERIOR ELEVATIONS FOR ADDL FINISHES NOT NOTED IN FINISH KEY.
7. SEE A0.2B & A0.2C FOR FIRE RATED PARTITION LOCATIONS AND EGRESS REQ'S.
8. FOR INTERIOR STOREFRONTS SEE INTERIOR ELEVATIONS.

FINISH KEY

FLOOR	WALL
A. CONCRETE, TROWELLED W/ CLEAR SEALER B. INTEGRAL COLOR POLISHED CONC. C. CARPET TILE D. NOT USED E. CONCRETE W/ BROOM FINISH F. SHEET RUBBER G. TILE H. LUXURY VINYL PLANK (L.V.P.) I. LUXURY VINYL TILE (L.V.T.) J. SHEET VINYL	A. GYP. BD., PTD. B. TILE C. SHT. MTL WALL PANEL O/ GYP. BD. D. CONCRETE E. VARIES, PTD.
BASE	**CEILING**
1. PAINTED MDF 2. RUBBER WALL BASE 3. TILE 4. CONCRETE MASONRY UNIT	1. GYP. BD., PTD. 2. VARIES, SEE LEGEND 3. ACOUSTICAL CEILING TILE 4. GYP. BD., PTD.& A.C.T. 5. 4'X 8' CMT. BD. IN MTL T-GRID 6. EXPOSED TO STRUCTURE 7. EXPOSED W/ SPRAY INSULATION 8. STUCCO

FLOOR / BASE / WALL / CEILING — A 1 A 1

KEYNOTES

KEYNOTE	ITEM
05 70 00.A1	METAL SUNSHADE
07 95 00.A1	SEISMIC EXPANSION JT. & COVER ASSEMBLY, S.S.D.
08 41 00.B1	FIRE RATED, GLAZED ACCESS DOOR
21 10 00.E1	STANDPIPE W/ FIRE HOSE CONNECTION
22 30 00.A2	ROOF DRAIN & OVERFLOW, TYP. S.P.D.
26 50 00.B1	LIGHT FIXTURE W/ STL CABLE ATTACHED TO BLDG, S.E.D. & S.S.D.
48 14 00.A1	PV PANEL

UNIT PLAN KEY:

UNIT TYPE			SEE DRAWING
STUDIO	VET	STUDIO-A	9 / A4.1
	VET	STUDIO-B	10 / A4.1
	VET	STUDIO-B.1	10 / A4.1
1 BEDROOM	VET	1BR-A	9 / A4.2
	VET	1BR-A.1	21 / A4.2
	VET	1BR-A.2	17 / A4.1
	VET	1BR-B	10 / A4.2
	VET	1BR-B.1	22 / A4.2
	FAM	1BR-C	12 / A4.2
	FAM	1BR-C.1	23 / A4.2
	FAM	1BR-D	22 / A4.3
2 BEDROOM	FAM	2BR-A	13 / A4.3
	FAM	2BR-A.1	13 / A4.3 SIM.
	FAM	2BR-B	14 / A4.3
	FAM	2BR-C	21 / A4.3
3 BEDROOM	FAM	3BR-A	23 / A4.4
	FAM	3BR-A.1	15 / A4.4
	FAM	3BR-A.2	15 / A4.5
	FAM	3BR-B	23 / A4.5
	FAM	3BR-B.1	21 / A4.5
	FAM	3BR-C	21 / A4.4
	FAM	3BR-C.1	13 / A4.4
	FAM	3BR-C.2	13 / A4.5

LEGEND:

- MOBILITY UNIT / ACCESSIBLE PARKING STALL
- COMMUNICATION UNIT
- MGR MANAGER UNIT
- CONCRETE COLUMN / WALL, S.S.D.
- CMU WALL, S.S.D.
- 2 HR RATED FIRE WALL W/ HORIZONTAL EXIT

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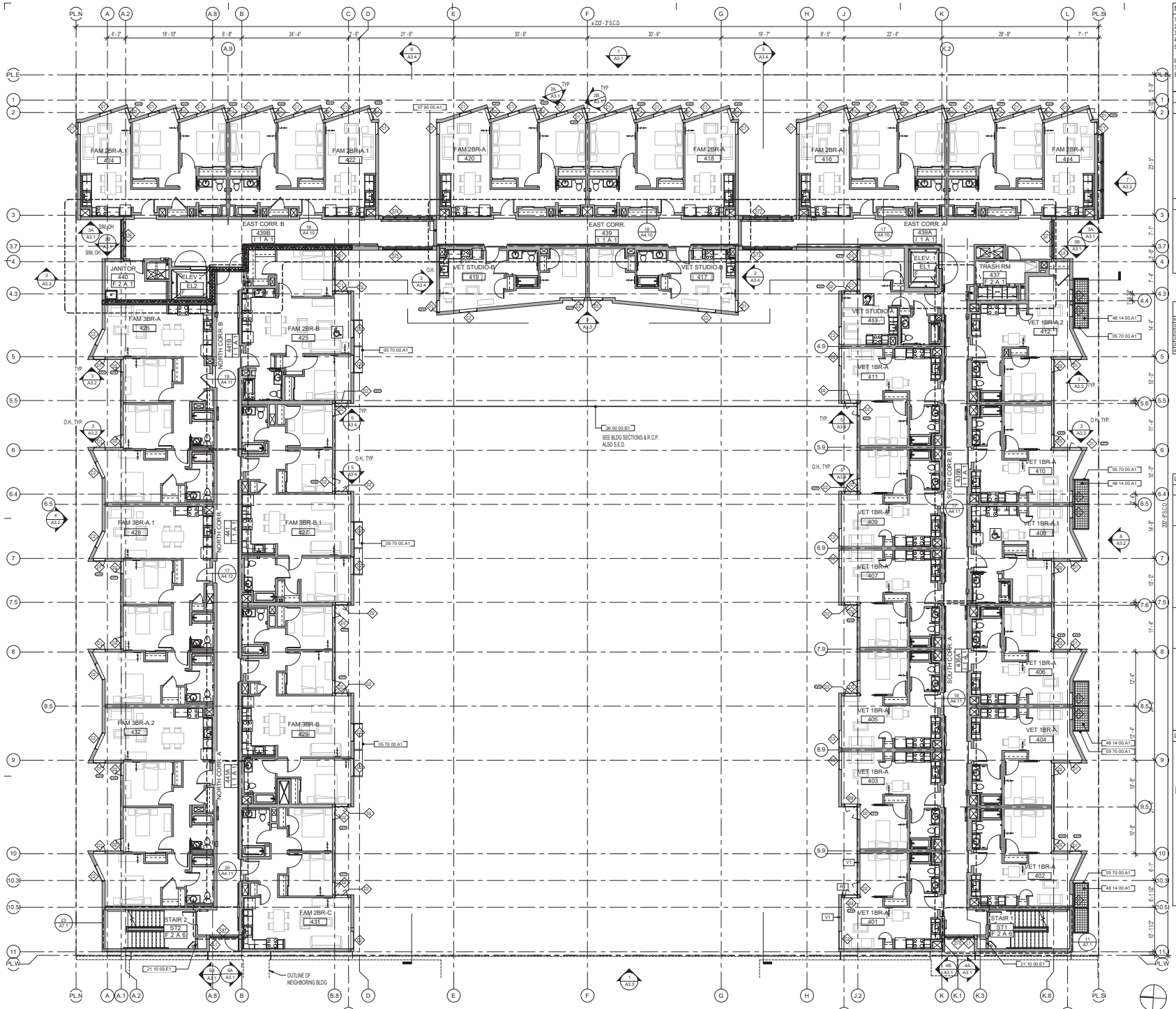
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STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
THIRD FLOOR PLAN

SHEET No
A2.3



1 A2.4 4TH FLOOR PLAN
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR UPPER AND LOWER COURTYARD, SEE LANDSCAPE DRAWINGS
2. FOR UNIT PLANS AND FINISHES, SEE A4.X
3. FOR LANDSCAPE & PAVING AT BUILDING PERIMETER, S.C.D., S.L.D.
4. FURNITURE SHOWN FOR REFERENCE, W.O.
5. AT RESIDENT LAUNDRY ROOM, MIN. (2) DRYERS & MIN. (2) WASHERS REQ'D TO BE ACCESSIBLE; FRONT LOADING WITH A.D.A. DIMENSIONAL & CONTROL REQUIREMENTS.
6. SEE RCPS & INTERIOR ELEVATIONS FOR ADDL FINISHES NOT NOTED IN FINISH KEY.
7. SEE A0.2B & A0.2C FOR FIRE RATED PARTITION LOCATIONS AND EGRESS REQ'S.
8. FOR INTERIOR STOREFRONTS SEE INTERIOR ELEVATIONS.

FINISH KEY

FLOOR	
A. CONCRETE, TROWELLED W/ CLEAR SEALER B. INTEGRAL COLOR POLISHED CONC. C. CARPET TILE D. NOT USED E. CONCRETE W/ BROOM FINISH F. SHEET RUBBER G. TILE H. LUXURY VINYL PLANK (L.V.P.) I. LUXURY VINYL TILE (L.V.T.) J. SHEET VINYL	A. GYP. BD., PTD. B. TILE C. SHT. MTL WALL PANEL O/ GYP. BD. D. CONCRETE E. VARIES, PTD.
BASE	**CEILING**
1. PAINTED MDF 2. RUBBER WALL BASE 3. TILE 4. CONCRETE MASONRY UNIT	1. GYP. BD., PTD. 2. VARIES, SEE LEGEND 3. ACOUSTICAL CEILING TILE 4. GYP. BD., PTD.& A.C.T. 5. 4' X 8' CMT. BD. IN MTL T-GRID 6. EXPOSED TO STRUCTURE 7. EXPOSED W/ SPRAY INSULATION 8. STUCCO

KEYNOTES

KEYNOTE	ITEM
05 70 00.A1	METAL SUNSHADE
07 95 00.A1	SEISMIC EXPANSION JT. & COVER ASSEMBLY, S.S.D.
21 10 00.E1	STANDPIPE W/ FIRE HOSE CONNECTION
26 50 00.B1	LIGHT FIXTURE W/ STL CABLE ATTACHED TO BLDG, S.E.D. & S.S.D.
48 14 00.A1	PV PANEL

UNIT PLAN KEY:

UNIT TYPE			SEE DRAWING
STUDIO	VET	STUDIO-A	9 / A4.1
	VET	STUDIO-B	10 / A4.1
	VET	STUDIO-B.1	10 / A4.1
1 BEDROOM	VET	1BR-A	9 / A4.2
	VET	1BR-A.1	21 / A4.2
	VET	1BR-A.2	17 / A4.1
	VET	1BR-B	10 / A4.2
	VET	1BR-B.1	22 / A4.2
	FAM	1BR-C	12 / A4.2
	FAM	1BR-C.1	23 / A4.2
	FAM	1BR-D	22 / A4.3
2 BEDROOM	FAM	2BR-A	13 / A4.3
	FAM	2BR-A.1	13 / A4.3 SIM.
	FAM	2BR-B	14 / A4.3
	FAM	2BR-C	21 / A4.3
3 BEDROOM	FAM	3BR-A	23 / A4.4
	FAM	3BR-A.1	15 / A4.4
	FAM	3BR-A.2	15 / A4.5
	FAM	3BR-B	23 / A4.5
	FAM	3BR-B.1	21 / A4.5
	FAM	3BR-C	21 / A4.4
	FAM	3BR-C.1	13 / A4.4
	FAM	3BR-C.2	13 / A4.5

LEGEND:

- MOBILITY UNIT / ACCESSIBLE PARKING STALL
- COMMUNICATION UNIT
- MGR MANAGER UNIT
- CONCRETE COLUMN / WALL, S.S.D.
- CMU WALL, S.S.D.
- 2 HR RATED FIRE WALL W/ HORIZONTAL EXIT

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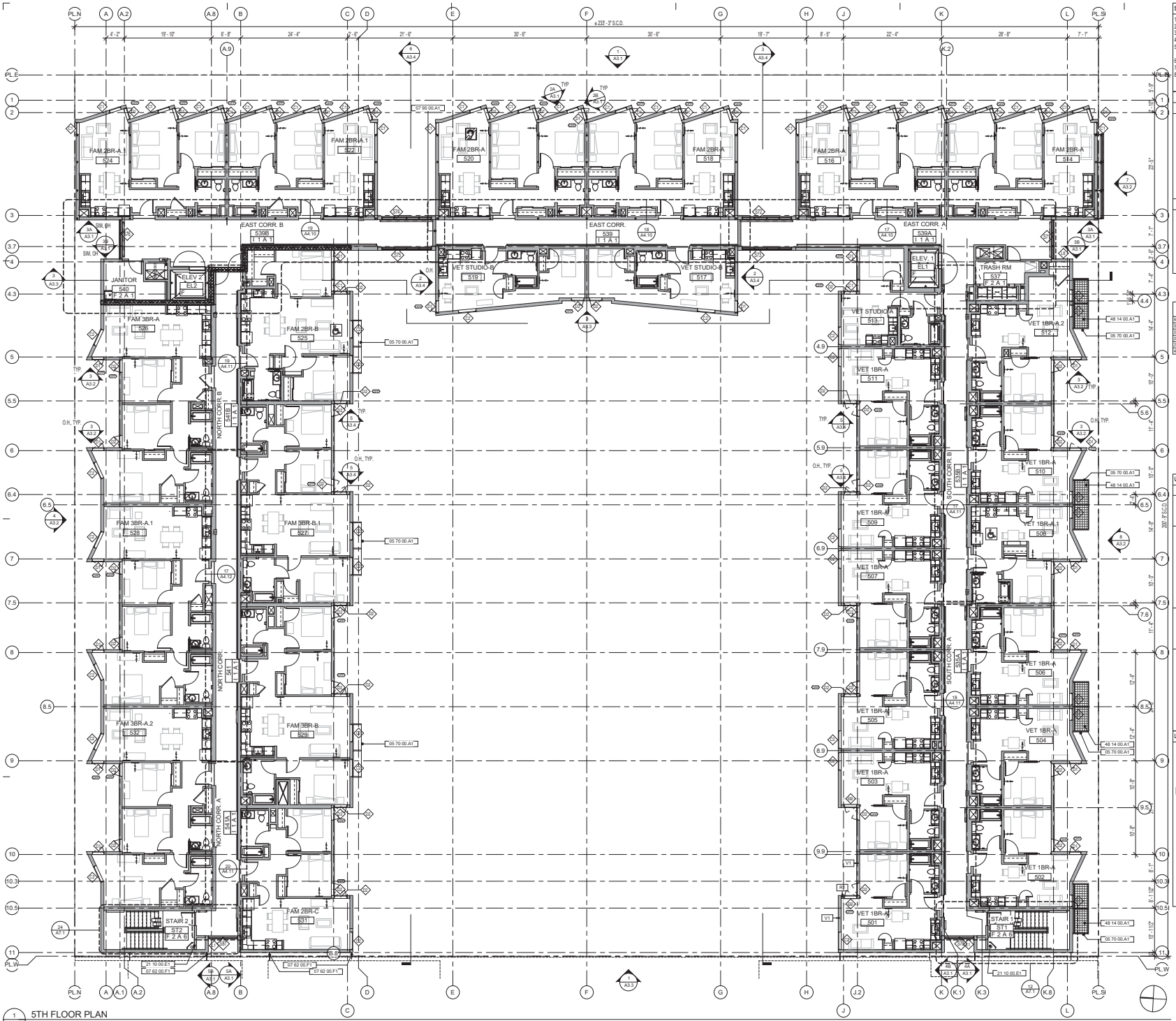
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1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
FOURTH FLOOR PLAN

SHEET No
A2.4



1 A2.5 5TH FLOOR PLAN
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR UPPER AND LOWER COURTYARD, SEE LANDSCAPE DRAWINGS
2. FOR UNIT PLANS AND FINISHES, SEE A4.X
3. FOR LANDSCAPE & PAVING AT BUILDING PERIMETER, S.C.D., S.L.D.
4. FURNITURE SHOWN FOR REFERENCE, W.O.
5. AT RESIDENT LAUNDRY ROOM, MIN. (2) DRYERS & MIN. (2) WASHERS REQ'D TO BE ACCESSIBLE: FRONT LOADING WITH A.D.A. DIMENSIONAL & CONTROL REQUIREMENTS.
6. SEE RCPS & INTERIOR ELEVATIONS FOR ADDL FINISHES NOT NOTED IN FINISH KEY.
7. SEE A0.2B & A0.2C FOR FIRE RATED PARTITION LOCATIONS AND EGRESS REQ'S.
8. FOR INTERIOR STOREFRONTS SEE INTERIOR ELEVATIONS.

FINISH KEY

FLOOR	WALL
A. CONCRETE, TROWELLED W/ CLEAR SEALER B. INTEGRAL COLOR POLISHED CONC. C. CARPET TILE D. NOT USED E. CONCRETE W/ BROOM FINISH F. SHEET RUBBER G. TILE H. LUXURY VINYL PLANK (L.V.P.) I. LUXURY VINYL TILE (L.V.T.) J. SHEET VINYL	A. GYP. BD., PTD. B. TILE C. SHT. MTL WALL PANEL O/ GYP. BD. D. CONCRETE E. VARIES, PTD.
BASE	**CEILING**
1. PAINTED MDF 2. RUBBER WALL BASE 3. TILE 4. CONCRETE MASONRY UNIT	1. GYP. BD., PTD. 2. VARIES, SEE LEGEND 3. ACOUSTICAL CEILING TILE 4. GYP. BD., PTD.& A.C.T. 5. 4' X 8' CMT. BD. IN MTL T-GRID 6. EXPOSED TO STRUCTURE 7. EXPOSED W/ SPRAY INSULATION 8. STUCCO

A 1 A 1
FLOOR
BASE
WALL
CEILING

KEYNOTES

KEYNOTE	ITEM
05 70 00.A1	METAL SUNSHADE
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
07 95 00.A1	SEISMIC EXPANSION JT. & COVER ASSEMBLY, S.S.D.
21 10 00.E1	STANDPIPE W/ FIRE HOSE CONNECTION
48 14 00.A1	PV PANEL

UNIT PLAN KEY:

UNIT TYPE			SEE DRAWING
STUDIO	VET	STUDIO-A	9 / A4.1
	VET	STUDIO-B	10 / A4.1
	VET	STUDIO-B.1	10 / A4.1
1 BEDROOM	VET	1BR-A	9 / A4.2
	VET	1BR-A.1	21 / A4.2
	VET	1BR-A.2	17 / A4.1
	VET	1BR-B	10 / A4.2
	VET	1BR-B.1	22 / A4.2
	FAM	1BR-C	12 / A4.2
	FAM	1BR-C.1	23 / A4.2
	FAM	1BR-D	22 / A4.3
2 BEDROOM	FAM	2BR-A	13 / A4.3
	FAM	2BR-A.1	13 / A4.3 SIM.
	FAM	2BR-B	14 / A4.3
	FAM	2BR-C	21 / A4.3
3 BEDROOM	FAM	3BR-A	23 / A4.4
	FAM	3BR-A.1	15 / A4.4
	FAM	3BR-A.2	15 / A4.5
	FAM	3BR-B	23 / A4.5
	FAM	3BR-B.1	21 / A4.5
	FAM	3BR-C	21 / A4.4
	FAM	3BR-C.1	13 / A4.4
	FAM	3BR-C.2	13 / A4.5

LEGEND:

- MOBILITY UNIT / ACCESSIBLE PARKING STALL
- COMMUNICATION UNIT
- MGR MANAGER UNIT
- CONCRETE COLUMN / WALL, S.S.D.
- CMU WALL, S.S.D.
- 2 HR RATED FIRE WALL W/ HORIZONTAL EXIT

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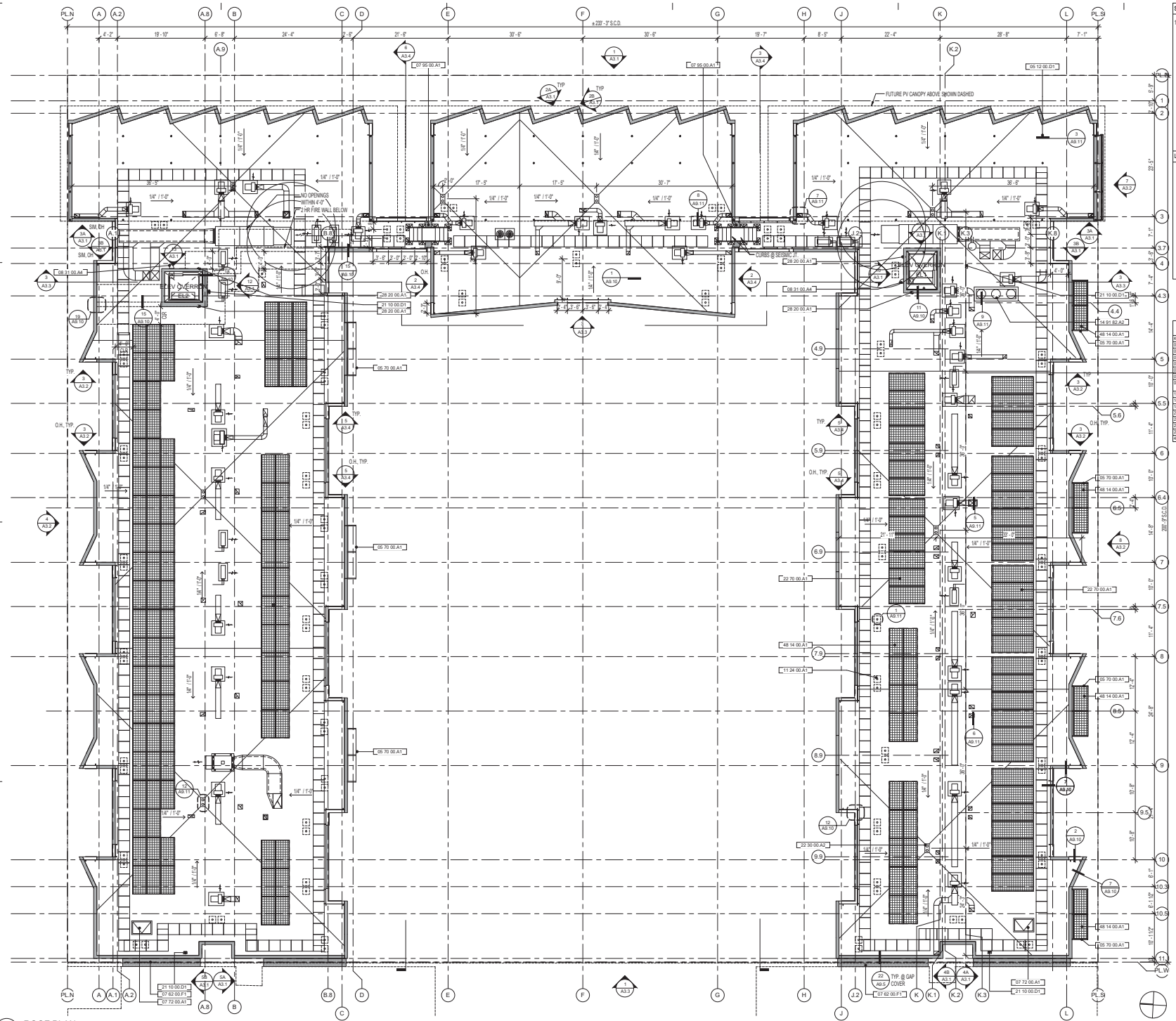
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STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
FIFTH FLOOR PLAN

SHEET No
A2.5



1 ROOF PLAN
A2.6 SCALE: 1/8" = 1'-0"

SHEET NOTES:

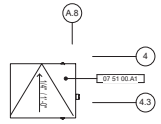
1. FOR FUTURE PV. CANOPY, SEE 1 / A2.7

LEGEND:

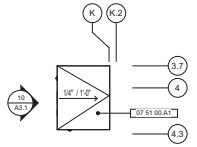
- 60 CELL PV PANEL
- 72 CELL PV PANEL
- SOLAR HOT WATER PANEL - 0.8 GAL
- SOLAR HOT WATER PANEL - 0.7 GAL
- ROOF TIEBACK ANCHOR

KEYNOTES

KEYNOTE	ITEM
05 12 00.D1	HSS PV SUPPORT, S.S.D.
05 70 00.A1	METAL SUNSHADE
07 51 00.A1	BUILT-UP ROOFING
07 62 00.F1	SEISMIC GAP COVER ASSEMBLY
07 72 00.A1	ROOF HATCH
07 95 00.A1	SEISMIC EXPANSION J.T. & COVER ASSEMBLY, S.S.D.
08 31 00.A4	ACCESS PANEL W/ INTEGRATED SHELF AND CAGE FOR ELEVATOR HOISTWAY SMOKE DETECTOR, SEE ALSO ELEC. DWGS.
11 24 00.A1	ROOF TIEBACK ANCHOR
14 24 00.A2	ELEVATOR OVERRUN
14 91 82.A2	TRASH CHUTE VENT
21 10 00.D1	ROOF FIRE HOSE CONNECTION
22 30 00.A2	ROOF DRAIN & OVERFLOW, TYP. S.P.D.
22 70 00.A1	SOLAR HOT WATER PANEL
28 20 00.A1	VIDEO CAMERA
48 14 00.A1	PV PANEL



3 ROOF PLAN - ELEV. 2
A2.6 SCALE: 1/8" = 1'-0"



2 ROOF PLAN - ELEV. 1
A2.6 SCALE: 1/8" = 1'-0"

ARCHITECTS

LMS[A]
LEDDY MAYTUM STACY ARCHITECTS
677 HARRISON STREET
SAN FRANCISCO, CA 94107
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W www.lmsarch.com

STAMP

CONSULTANTS

PROJECT

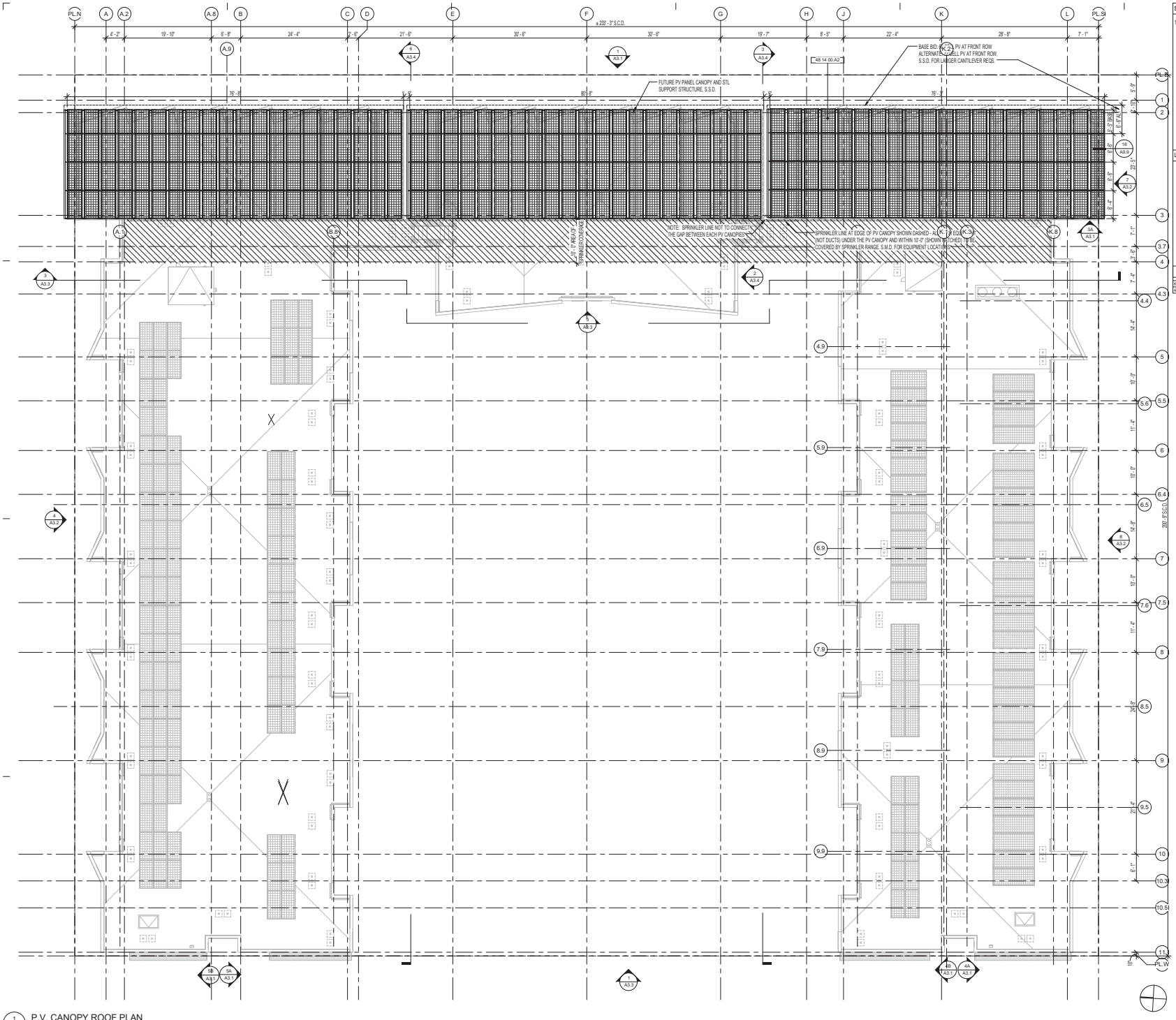
MB3E
STP + CCDC
1150 THIRD STREET, SAN FRANCISCO, CA

No	REVISION	DATE

DATE: 4/21/17
JOB No: 1506
PHASE: C.D.
ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
ROOF PLAN

SHEET No
A2.6



1 A2.7 P.V. CANOPY ROOF PLAN
SCALE: 1/8" = 1'-0"

SHEET NOTES:

1. FOR FUTURE PV. CANOPY, SEE 1 / A2.7

LEGEND:

- 60 CELL PV PANEL
- 72 CELL PV PANEL
- SOLAR HOT WATER PANEL - 0.8 GAL
- SOLAR HOT WATER PANEL - 0.7 GAL
- ROOF TIEBACK ANCHOR

KEYNOTES

KEYNOTE	ITEM
48 14 00.A2	FUTURE PV PANEL

ARCHITECTS

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PROJECT

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ISSUED FOR: 50% C.D.
PERMIT No: N/A
SCALE: 1/8" = 1'-0"

SHEET TITLE
FUTURE P.V. CANOPY ROOF PLAN

SHEET No
A2.7

Attachment G: Comparison of City Investment in Other Housing Developments

Family Rental Housing Cost Comparison

Updated 6/17/2017

PROJECTS COMPLETED						Building Square Footage			Total Project Costs					
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost	Total Dev. Cost	Local Subsidy[5]	Comments
Broadway / Sansome Family Apts.	235 Broadway	17,861	Jan-15	75	109	83,679	1,331	85,010	1,500,000	31,298,861	11,547,045	44,345,906	13,995,447	Type III modified
1100 Ocean Ave (Phelan Loop)	1100 Ocean Avenue	18,950	Jan-15	72	107	73,800	5,091	78,891	4,056,580	26,336,635	3,667,396	34,060,611	15,224,791	Type V-A Over Podium
Alice Griffith Phase 2	2700 Arelious Walkr. Dr. - Bl.4	54,195	May-17	93	194	111,883	28,173	140,056	0	45,065,050	11,287,378	56,352,428	19,699,024	Type V over Type I Podium
Alice Griffith Phase 1	2600 Arelious Walker Dr. Bl. 2	53,924	Apr-17	91	192	110,238	28,554	138,792	0	45,376,510	11,250,803	56,627,313	19,601,371	Type V over Type I Podium
Hunters View Phase II - Bl 7 & 11	227-229 West Point Rd	82,703	May-17	107	239	117,023	23,857	140,880	0	53,330,794	9,272,003	62,602,797	19,737,243	Mixed Townhome stepping downslope and Type III-V over Type I flats w/pkg
Mission Bay Block 7 West	588 Mission Bay Blvd. N	43,560	Apr-17	200	328	204,965	5,035	210,000	0	68,027,441	14,094,767	82,122,208	16,975,000	Type V over Type I Podium
Completed Projects:	***Average:***	***45,199***		***106***	***195***	***116,931***	***15,340***	***132,272***	***926,097***	***44,905,882***	***10,186,565***	***56,018,544***	***17,538,813***	

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs					
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost	Total Dev. Cost	Local Subsidy[5]	Comments
Booker T Washington	800 Presidio	8,000	Jul-17	50	52	40,340	20,700	61,040	3,323,000	28,257,278	6,019,350	37,599,628	9,026,304	Type V over Type I Pod. Total cost includes a Community Center of $8MM
Alice Griffith Phase 3 A/B	Block 1	62,961	Jun-18	122	272	149,903	32,118	182,021	0	63,938,264	21,008,758	84,947,022	30,720,022	Type V over Type I Podium
Hunters View Block 10	146 West Pt. Road (HV Ph.II)	52,333	Jun-17	72	144	81,391	16,254	97,645	0	38,150,579	10,559,093	48,709,672	19,818,465	Type V (2-4 stories) over Type I Pod. includes "Community Hub" + Childcare
Mission Bay Bl 6 East	626 Mission Bay Blvd. North	63,250	Aug-18	143	276	162,080	9,719	171,799	148,125	74,599,328	15,222,907	89,970,360	35,750,000	Type IIIA & V over Type I podium, 41 pkg spaces, Mission Bay soils and infrastructure
Under Construction:	***Average:***	***46,636***		***97***	***186***	***108,429***	***19,698***	***128,126***	***867,781***	***51,236,362***	***13,202,527***	***65,306,670***	***23,828,698***	

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs			#REF!		
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR[1]	Res.[2]	Non-Res.	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost	Total Dev. Cost	Local Subsidy[5]	Comments
Parcel O	455 Fell Street	49,436	Feb-19	108	165	108,687	2,100	110,787	20,000	52,290,000	12,526,433	66,266,271	15,038,000	Type V over Type I Podium, complex stepping
88 Broadway - Family Housing	88 Broadway	37,813	Oct-19	135	177	140,401	5,522	145,923	0	69,022,501	15,333,907	84,356,408	25,301,836	Type IIIA & V over Type I Podium (5-6 stories)
Candlestick Point 10a	Ingerson & Earl	57,064	Jan-21	140	327	141,786	101,961	243,747	0	87,862,797	12,781,133	103,469,666	35,000,000	Type IV/podium
Candlestick 11a	Candlestick Park Dr. S. at Harney W.	62,500	Aug-20	153	355	200,000	50,852	250,852	0	97,840,723	18,098,022	115,938,745	38,250,000	3-5 Stories of Type III and V over I
735 Davis - Senior Housing	735 Davis	10,805	Jul-19	54	55	43,024	1,000	44,024	0	25,708,654	6,583,453	32,292,107	8,903,730	Type IIIA & V over Type I Podium (5-6 stories)
Alice Griffith Phase 4 - Block 5	2800 Arelious Walker Dr.	35,479	Mar-19	31	79	36,046	0	36,046		19,995,358	7,518,573	27,513,931	12,834,033	Type VB wood framed 4 story townhome and stacked flats, w/parking and playspace
4840 Mission	4840 Mission	63,127	Dec-19	114	182	127,869	8,300	136,169	12,000,000	48,314,129	13,329,476	73,643,605	27,786,294	Mixed type - Type VA (townhomes) and Type IIIA over Type I Podium
1990 Folsom Street	1990 Folsom	29,047	Mar-22	143	226	106,320	48,041	154,361	8,000,000	71,654,633	15,147,839	102,761,383	45,242,809	Mixed type - Type VA (townhomes) and 8 story Type I over Podium
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	9,300,000	53,109,628	14,837,459	74,406,813	23,052,146	Type IB - 8 story, extensive PG&E regional switch required
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	75,356	0	75,356	0	34,759,275	10,072,197	44,831,472	9,652,147	Type IV - 5 Stories over grade podium parking
Hunters View Phase 3	Middle Point Rd & Hare (HV Ph III)	71,874	Jul-20	100	258	144,400	45,700	190,100		55,010,063	11,531,025	87,518,404	7,215,180	Type V over Type 1 Podium
Sunnydale Block 6	Sunnydale Block 6	95,396	Sep-20	171	375	247,417	0	247,417	0	105,756,562	20,062,426	125,818,988	37,397,494	Type V over Type I - 4-5 Story stepped with subterranean garage
In Predevelopment	***Average:***	***46,387***		***110***	***209***	***123,312***	***23,714***	***147,026***	***2,932,000***	***60,110,360***	***13,151,829***	***78,234,816***	***23,806,139***	
ALL PROJECTS	***Average:***	***46,074***		***104***	***197***	***116,224***	***19,584***	***135,808***	***1,575,293***	***52,084,201***	***12,180,307***	***66,520,010***	***21,724,550***	
Mission Bay S Block 3E	***1150 3rd Street***	***47,140***	***Oct-19***	***119***	***192***	***83,684***	***40,516***	***124,200***	***0***	***63,571,378***	***16,662,249***	***80,233,627***	***20,593,600***	***Type V over Type I podium strong articulation / ext. skin added du***

PROJECTS COMPLETED		Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Dev Costs by Unit/Bed/SF			Subsidy	
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft[6]	Soft/unit	Soft/BR	Soft/sq.ft[6]	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft[6]	Subsidy /unit	Leveraging[7]
Broadway / Sansome Family Apts.	Jan-15	20,000	13,761	84	417,318	287,146	368	153,961	105,936	136	591,279	406,843	522	186,606	68.4%
1100 Ocean Ave (Phelan Loop)	Jan-15	56,341	37,912	214	365,787	246,137	334	50,936	34,275	46	473,064	318,323	432	211,455	55.3%
Alice Griffith Phase 1 (Bl 2)	May-17	-	-	-	498,643	236,336	327	123,635	58,598	81	622,278	294,934	408	215,400	65.4%
Alice Griffith Phase 2 (Bl 4)	Apr-17	-	-	-	484,570	232,294	322	121,370	58,182	81	605,940	290,476	402	211,817	65.0%
Mission Bay Block 7 West	Apr-17	-	-	-	340,137	207,401	324	70,474	42,972	67	410,611	250,373	391	84,875	79.3%
Hunters View Phase II Blk. 7 & 11	May-17	-	-	-	498,419	223,141	379	86,654	38,795	66	585,073	261,936	444	184,460	68.5%
Completed Projects:	***Average:***	***12,724***	***8,612***	***50***	***434,146***	***238,742***	***342***	***101,172***	***56,460***	***79***	***548,041***	***303,814***	***433***	***182,436***	***67.0%***

PROJECTS UNDER CONSTRUCTION		Acquisition			Construction			Soft Costs			Total Development Costs			Subsidy	
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft[6]	Soft/unit	Soft/BR	Soft/sq.ft[6]	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft[6]	Subsidy /unit	Leveraging[7]
Booker T Washington	Jul-17	66,460	63,904	415	565,146	543,409	463	120,387	115,757	99	751,993	723,070	616	180,526	76.0%
Alice Griffith Phase 3 A/B	Jun-18	-	-	-	524,084	235,067	351	172,203	77,238	115	696,287	312,305	467	251,803	63.8%
Hunters View Block 10	Jun-17	0	0	0	529,869	264,935	391	146,654	73,327	108	676,523	338,262	499	275,256	59.3%
Mission Bay Bl. 6 East	Aug-18	185	121	0	521,674	270,287	434	106,454	55,155	89	629,163	325,980	524	250,000	60.3%
Under Construction:	***Average:***	***66,645***	***64,025***	***416***	***535,193***	***328,425***	***410***	***136,424***	***80,369***	***103***	***688,492***	***424,904***	***526***	***239,396***	***64.9%***

PROJECTS IN PREDEVELOPMENT		Acquisition			Construction			Soft Costs			Total Development Costs			Subsidy	
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft[6]	Soft/unit	Soft/BR	Soft/sq.ft[6]	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft[6]	Subsidy /unit	Leveraging[7]
Parcel O	Feb-19	185	121	0	484,167	316,909	472	115,985	75,918	113	613,577	401,614	598	139,241	77.3%
88 Broadway	Oct-19	-	-	-	511,278	389,958	473	113,584	86,632	105	624,862	476,590	578	187,421	70.0%
Candlestick Point 10a	Aug-20	-	-	-	627,591	268,694	360	91,294	39,086	52	739,069	316,421	424	250,000	66.2%
Candlestick 11a	Aug-20	-	-	-	639,482	275,608	390	118,288	50,980	72	757,770	326,588	462	250,000	67.0%
735 Davis	Jul-19				476,086	467,430	584	121,916	119,699	150	598,002	587,129	734	164,884	72.4%
Alice Griffith Phase 4 - Block 5	Jan-20	-	-	-	645,012	253,106	555	242,535	95,172	209	887,546	348,278	763	414,001	53.4%
4840 Mission	Dec-19	105,263	65,934	190	423,808	265,462	355	116,925	73,239	98	645,997	404,635	541	243,739	62.3%
1990 Folsom Street	Mar-22	55,944	35,398	275	501,081	317,056	464	105,929	67,026	98	718,611	454,696	666	316,383	56.0%
Eddy & Taylor Family Housing	Jun-19	82,301	44,076	416	469,997	251,704	410	131,305	70,320	115	658,467	352,639	574	204,001	69.0%
Sunnydale Parcel Q	Jun-20	-	-	-	631,987	340,777	461	183,131	98,747	134	815,118	439,524	595	175,494	78.5%
Hunters View Phase 3	Oct-20	-	-	-	550,101	213,217	289	131,518	44,694	61	875,184	339,219	460	72,152	91.8%
Sunnydale Block 6	Sep-20	-	-	-	618,459	282,017	427	-	53,500	81	735,784	335,517	509	218,699	70.3%
In Predevelopment	***Average:***	***243,693***	***145,529***	***882***	***548,254***	***303,495***	***437***	***122,701***	***72,918***	***107***	***722,499***	***398,571***	***575***	***219,668***	***70%***
All Projects:	***AVERAGE***	***107,687***	***72,722***	***449***	***505,864***	***290,221***	***396***	***120,099***	***69,916***	***96***	***653,010***	***375,763***	***512***	***213,833***	***67.1%***
Mission Bay S Block 3E	***Oct-19***	***-***	***-***	***-***	***534,213***	***331,101***	***512***	***140,019***	***86,783***	***134***	***674,232***	***417,883***	***646***	***173,055***	***74.3%***

[0] items highlighted in yellow represent gaps in information
[1] includes studios as 1BRs
[2] *Residential sq. ft.* includes circulation, recreation, parking, office space and common areas; excludes day care centers, and commercial (non-res.)
[3] *Acquisition* includes cost of buying land/building including costs if City buys site; excludes demotion of existing building
[4] *Construction* includes unit construction, site preparation/demolition (if applicable), site improvements, environmental remediation and hard cost contingency for Predev & During Construction. Completed projects include used Contingency and are escalated per ENR CCI data
[5] All non-amortized local funds
[6] *Total* square footage
[7] *Leveraging* = subsidy/unit as % of TDC/unit

Attachment H: Sources and Uses

Application Date: 6/16/17 **# Units:** 119
Project Name: 1150 Third Street **# *Bedrooms:*** 192 **LOSP Project**
Project Address: 1150 Third St **# Beds:**
Project Sponsor: Chinatown Community Development Center & Swords to Plowshares

									Total Sources	Comments
SOURCES	**20,593,600**	**1,043,107**	**14,202,879**	**10,000,000**	**1,500,000**	**828,025**	**2,100,000**	**29,966,016**	**80,233,627**	
Name of Sources:	MOHCD/OCII	OCII Accrued / Deferred Interest	Tax-Exempt Perm Loan	VHHP	AHP	Income from Operations	Owner Equity / Deferred Fee	Limited Partner Equity		
USES										
ACQUISITION										
Acquisition cost or value									0	
Demolition									0	
Legal/Closing costs									0	
Broker's fee									0	
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
CONSTRUCTION (HARD COSTS)										
Site Work										
Environmental Remediation								255,121	255,121	
Grading/Earthwork									0	
Underpinning/shoring									0	
Total Site Work	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**255,121**	**255,121**	
Unit Construction/Rehab	18,093,600		14,202,879	10,000,000	1,500,000		1,110,000	12,526,761	57,433,240	
Parking									0	
Landscaping									0	
Overhead/Profit/Gen'l Conditions								2,867,957	2,867,957	
TOTAL CONSTRUCTION COSTS	**18,093,600**	**0**	**14,202,879**	**10,000,000**	**1,500,000**	**0**	**1,110,000**	**15,649,839**	**60,556,318**	
Construction Contingency								3,015,060	**3,015,060**	5.0%
SOFT COSTS										
Architecture/Engineering										
Design	1,302,692							1,372,064	2,674,756	
Construction Administration									0	
Printing									0	
Total Arch./Engineer. Fees	**1,302,692**	**0**	**0**	**0**	**0**	**0**	**0**	**1,372,064**	**2,674,756**	0.0%
Survey & Engineering Studies										
Survey	7,500							10,500	18,000	
Geotechnical studies	67,241							97,759	165,000	
Phase I & II Reports	66,082							33,918	100,000	
Total Survey & Engineering	**140,822**	**0**	**0**	**0**	**0**	**0**	**0**	**142,178**	**283,000**	
Financing Costs										
Predevelopment Financing Costs										
Predev. Loan Application Fee									0	
Predev. Loan Interest									0	
Title & Recording									0	
Sub-total Predev. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	**0**	
Construction Financing Costs										
Construction Loan Origination Fee								718,875	718,875	origination fee, issuer fee, lender expenses
Construction Loan Interest		1,043,107				828,025		3,046,275	4,917,407	
Title & Recording								40,000	40,000	
Sub-total Const. Financing Costs	*0*	*1,043,107*	*0*	*0*	*0*	*828,025*	*0*	*3,805,150*	**5,676,282**	
Premanent Financing Costs										
Permanent Loan Origination Fee								226,879	226,879	origination fee, MOH financial advisor, CDLAC fee, CDIAC fee, COI contingency
Credit Enhance. & Appl. Fee									0	
Title & Recording								10,000	10,000	
Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	236,879	236,879	
Total Financing Costs	**0**	**1,043,107**	**0**	**0**	**0**	**828,025**	**0**	**4,042,029**	**5,913,161**	
Legal Costs										
Lender Legal Pd. By Applicant								65,000	65,000	
Tax Credit Attorney								25,000	25,000	
Developer Legal Counsel	800							114,200	115,000	Acquisition, construction closing, perm closing, organization of partnership, bond counsel
Total Legal Costs	**800**	**0**	**0**	**0**	**0**	**0**	**0**	**204,200**	**205,000**	
Appraisal	25,000								25,000	
Property Taxes								80,000	80,000	
Insurance								600,000	600,000	
Relocation									0	
TCAC App/Alloc/Monitor Fees	729							81,194	81,923	
CEQA Environmental Review									0	
Entitlement/Permit Fees	287,421							262,579	550,000	local permits / fees, land entitlements
Marketing/Rent-up								162,266	162,266	
Furnishings								306,300	306,300	
Market Study	15,000								15,000	
NEPA/106 Review	23,264							1,736	25,000	
Other (specify)	104,363							314,000	418,363	ENA deposit, pre-bid meeting space rental, utilty hookups, other consultants / engineers, construction testing / inspections, audit / cost cert, services set-up
Sub-total Soft Costs	***1,900,091***	***1,043,107***	***0***	***0***	***0***	***828,025***	***0***	***7,568,546***	**11,339,769**	
Soft Cost Contingency	194,409							187,640	382,049	10.2%
TOTAL SOFT COSTS	**2,094,500**	**1,043,107**	**0**	**0**	**0**	**828,025**	**0**	**7,756,186**	**11,721,818**	
RESERVES										
Operating Reserves								595,431	595,431	
Replacement Reserves									0	
Other (specify): Lease-Up Reserve								100,000	100,000	
Other (specify): Subsidy Transition Reserve								550,000	550,000	
Other (specify)									0	
Other (specify)									0	
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,245,431**	**1,245,431**	
DEVELOPER COSTS										
Developer Overhead/Profit (Fee)	350,000						990,000	2,160,000	3,500,000	
Development Consultant Fees									0	
Financial Consultant Fees									0	
Construction Management Fee	20,000							120,000	140,000	owner's rep
Project Administration									0	
Other (specify)									0	
TOTAL DEVELOPER COSTS	**370,000**	**0**	**0**	**0**	**0**	**0**	**990,000**	**2,280,000**	**3,640,000**	
Syndication Costs	35,500							19,500	55,000	financial/syndication consulting
TOTAL DEVELOPMENT COST	**20,593,600**	**1,043,107**	**14,202,879**	**10,000,000**	**1,500,000**	**828,025**	**2,100,000**	**29,966,016**	**80,233,627**	
Development Cost/Unit by Source	173,055	8,766	119,352	84,034	12,605	6,958	17,647	251,815	674,232	
Development Cost/Unit as % of TDC by Source	25.7%	1.3%	17.7%	12.5%	1.9%	1.0%	2.6%	37.3%	100.0%	
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit By Source	152,047	0	119,352	84,034	12,605	0	9,328	156,848	534,213	
Construction Cost (inc Const Contingency)/SF	145.68	0.00	114.35	80.52	12.08	0.00	8.94	150.28	511.85	
City Subsidy/Unit	173,055									
Tax Credit Equity Pricing:								0.95		

Attachment I: Development Budget

Application Date: 6/16/17 **# Units:** 119
Project Name: 1150 Third Street **# *Bedrooms:*** 192 **LOSP Project**
Project Address: 1150 Third St **# Beds:**
Project Sponsor: Chinatown Community Development Center & Swords to Plowshares

									Total Sources	Comments
SOURCES	**20,593,600**	**1,043,107**	**14,202,879**	**10,000,000**	**1,500,000**	**828,025**	**2,100,000**	**29,966,016**	**80,233,627**	
Name of Sources:	MOHCD/OCII	OCII Accrued / Deferred Interest	Tax-Exempt Perm Loan	VHHP	AHP	Income from Operations	Owner Equity / Deferred Fee	Limited Partner Equity		
USES										
ACQUISITION										
Acquisition cost or value									0	
Demolition									0	
Legal/Closing costs									0	
Broker's fee									0	
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
CONSTRUCTION (HARD COSTS)										
Site Work										
Environmental Remediation								255,121	255,121	
Grading/Earthwork									0	
Underpinning/shoring									0	
Total Site Work	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**255,121**	**255,121**	
Unit Construction/Rehab	18,093,600		14,202,879	10,000,000	1,500,000		1,110,000	12,526,761	57,433,240	
Parking									0	
Landscaping									0	
Overhead/Profit/Gen'l Conditions								2,867,957	2,867,957	
TOTAL CONSTRUCTION COSTS	**18,093,600**	**0**	**14,202,879**	**10,000,000**	**1,500,000**	**0**	**1,110,000**	**15,649,839**	**60,556,318**	
Construction Contingency								3,015,060	**3,015,060**	5.0%
SOFT COSTS										
Architecture/Engineering										
Design	1,302,692							1,372,064	2,674,756	
Construction Administration									0	
Printing									0	
Total Arch./Engineer. Fees	**1,302,692**	**0**	**0**	**0**	**0**	**0**	**0**	**1,372,064**	**2,674,756**	0.0%
Survey & Engineering Studies										
Survey	7,500							10,500	18,000	
Geotechnical studies	67,241							97,759	165,000	
Phase I & II Reports	66,082							33,918	100,000	
Total Survey & Engineering	**140,822**	**0**	**0**	**0**	**0**	**0**	**0**	**142,178**	**283,000**	
Financing Costs										
Predevelopment Financing Costs										
Predev. Loan Application Fee									0	
Predev. Loan Interest									0	
Title & Recording									0	
Sub-total Predev. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	**0**	
Construction Financing Costs										
Construction Loan Origination Fee								718,875	718,875	origination fee, issuer fee, lender expenses
Construction Loan Interest		1,043,107				828,025		3,046,275	4,917,407	
Title & Recording								40,000	40,000	
Sub-total Const. Financing Costs	*0*	*1,043,107*	*0*	*0*	*0*	*828,025*	*0*	*3,805,150*	**5,676,282**	
Premanent Financing Costs										
Permanent Loan Origination Fee								226,879	226,879	origination fee, MOH financial advisor, CDLAC fee, CDIAC fee, COI contingency
Credit Enhance. & Appl. Fee									0	
Title & Recording								10,000	10,000	
Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	236,879	236,879	
Total Financing Costs	**0**	**1,043,107**	**0**	**0**	**0**	**828,025**	**0**	**4,042,029**	**5,913,161**	
Legal Costs										
Lender Legal Pd. By Applicant								65,000	65,000	
Tax Credit Attorney								25,000	25,000	
Developer Legal Counsel	800							114,200	115,000	Acquisition, construction closing, perm closing, organization of partnership, bond counsel
Total Legal Costs	**800**	**0**	**0**	**0**	**0**	**0**	**0**	**204,200**	**205,000**	
Appraisal	25,000								25,000	
Property Taxes								80,000	80,000	
Insurance								600,000	600,000	
Relocation									0	
TCAC App/Alloc/Monitor Fees	729							81,194	81,923	
CEQA Environmental Review									0	
Entitlement/Permit Fees	287,421							262,579	550,000	local permits / fees, land entitlements
Marketing/Rent-up								162,266	162,266	
Furnishings								306,300	306,300	
Market Study	15,000								15,000	
NEPA/106 Review	23,264							1,736	25,000	
Other (specify)	104,363							314,000	418,363	ENA deposit, pre-bid meeting space rental, utilty hookups, other consultants / engineers, construction testing / inspections, audit / cost cert, services set-up
Sub-total Soft Costs	***1,900,091***	***1,043,107***	***0***	***0***	***0***	***828,025***	***0***	***7,568,546***	**11,339,769**	
Soft Cost Contingency	194,409							187,640	382,049	10.2%
TOTAL SOFT COSTS	**2,094,500**	**1,043,107**	**0**	**0**	**0**	**828,025**	**0**	**7,756,186**	**11,721,818**	
RESERVES										
Operating Reserves								595,431	595,431	
Replacement Reserves									0	
Other (specify): Lease-Up Reserve								100,000	100,000	
Other (specify): Subsidy Transition Reserve								550,000	550,000	
Other (specify)									0	
Other (specify)									0	
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,245,431**	**1,245,431**	
DEVELOPER COSTS										
Developer Overhead/Profit (Fee)	350,000						990,000	2,160,000	3,500,000	
Development Consultant Fees									0	
Financial Consultant Fees									0	
Construction Management Fee	20,000							120,000	140,000	owner's rep
Project Administration									0	
Other (specify)									0	
TOTAL DEVELOPER COSTS	**370,000**	**0**	**0**	**0**	**0**	**0**	**990,000**	**2,280,000**	**3,640,000**	
Syndication Costs	35,500							19,500	55,000	financial/syndication consulting
TOTAL DEVELOPMENT COST	**20,593,600**	**1,043,107**	**14,202,879**	**10,000,000**	**1,500,000**	**828,025**	**2,100,000**	**29,966,016**	**80,233,627**	
Development Cost/Unit by Source	173,055	8,766	119,352	84,034	12,605	6,958	17,647	251,815	674,232	
Development Cost/Unit as % of TDC by Source	25.7%	1.3%	17.7%	12.5%	1.9%	1.0%	2.6%	37.3%	100.0%	
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit By Source	152,047	0	119,352	84,034	12,605	0	9,328	156,848	534,213	
Construction Cost (inc Const Contingency)/SF	145.68	0.00	114.35	80.52	12.08	0.00	8.94	150.28	511.85	
City Subsidy/Unit	173,055									
Tax Credit Equity Pricing:								0.95		

Attachment J: 1st Year Operating Budget

		LOSP Units	Non-LOSP Units			
Application Date:	**6/16/2017**			**Project Name:**	**1150 Third Street**	
Total # Units:	**119**	**7**	**112**	**Project Address:**	**1150 Third St**	
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations)**:**	**2020**	LOSP/non-LOSP Allocation		**Project Sponsor:**	**Chinatown Community Development Center & Swords to Plowshares**	
		6%	94%			

INCOME	**LOSP**	**non-LOSP**	**Total**	**Comments**		
Residential - Tenant Rents	16,800	1,341,828	1,358,628	Links from 'New Proj - Rent & Unit Mix' Worksheet	**Alternative LOSP Split**	**LOSP**
Residential - Tenant Assistance Payments (Non-LOSP)	0	1,202,280	1,202,280	Links from 'New Proj - Rent & Unit Mix' Worksheet	Residential - Tenant Assistance Payments (No	*0.00%*
Residential - LOSP Tenant Assistance Payments	85,285		85,285			
Commercial Space			0	Links from 'Commercial Op. Budget' Worksheet		
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet		
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	**Alternative LOSP Split**	**LOSP**
Supportive Services Income	0	0	0		Supportive Services Income	
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet		
Laundry and Vending	330	5,170	5,500	Links from 'Utilities & Other Income' Worksheet	**Projected LOSP Split**	**LOSP**
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges	
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet		
Other Commercial Income			0	Links from 'Commercial Op. Budget' Worksheet	**Alternative LOSP Split**	**LOSP**
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0		Withdrawal from Capitalized Reserve (deposit to operating account)	
Gross Potential Income	**102,415**	**2,549,278**	**2,651,693**			
Vacancy Loss - Residential - Tenant Rents	(857)	(67,350)	(68,206)	Vacancy loss is 5% of Tenant Rents.		
Vacancy Loss - Residential - Tenant Assistance Payments	0	(60,114)	(60,114)	Vacancy loss is 5% of Tenant Assistance Payments.		
Vacancy Loss - Commercial			0	Links from 'Commercial Op. Budget' Worksheet		
EFFECTIVE GROSS INCOME	**101,559**	**2,421,814**	**2,523,373**	***PUPA: 21,205***		
OPERATING EXPENSES						
Management					**Alternative LOSP Split**	**LOSP**
Management Fee	5,141	80,539	85,680	1st Year to be set according to HUD schedule.	Management Fee	
Asset Management Fee	900	14,100	15,000		Asset Management Fee	
Sub-total Management Expenses	**6,041**	**94,639**	**100,680**	***PUPA: 846***		
Salaries/Benefits					**Alternative LOSP Split**	**LOSP**
Office Salaries	23,447	184,229	207,676	24hr desk service; 4.2 FTE	Office Salaries	*11.29%*
Manager's Salary	3,245	50,835	54,080	1 FTE	Manager's Salary	
Health Insurance and Other Benefits	3,881	60,808	64,689		Health Insurance and Other Benefits	
Other Salaries/Benefits	0	0	0		Other Salaries/Benefits	
Administrative Rent-Free Unit	0	0	0		Administrative Rent-Free Unit	
Sub-total Salaries/Benefits	**30,573**	**295,872**	**326,445**	***PUPA: 2,743***		
Administration						
Advertising and Marketing	50	776	825			
Office Expenses	1,560	24,440	26,000	supplies, telephone, computer services, misc admin expenses		
Office Rent	0	0	0		**Projected LOSP Split**	**LOSP**
Legal Expense - Property	576	9,024	9,600		Legal Expense - Property	*6.00%*
Audit Expense	1,116	17,484	18,600			
Bookkeeping/Accounting Services	840	13,160	14,000		**Projected LOSP Split**	**LOSP**
Bad Debts	0	0	0		Bad Debts	
Miscellaneous	1,080	16,920	18,000			
Sub-total Administration Expenses	**5,222**	**81,804**	**87,025**	***PUPA: 731***		
Utilities					**Projected LOSP Split**	**LOSP**
Electricity	2,400	37,600	40,000		Electricity	*6.00%*
Water	3,276	51,324	54,600			
Gas	1,860	29,140	31,000			
Sewer	2,520	39,480	42,000			
Sub-total Utilities	**10,056**	**157,544**	**167,600**	***PUPA: 1,408***		
Taxes and Licenses					**Alternative LOSP Split**	**LOSP**
Real Estate Taxes	1,500	23,500	25,000		Real Estate Taxes	
Payroll Taxes	2,043	32,004	34,047		Payroll Taxes	
Miscellaneous Taxes, Licenses and Permits	54	846	900			
Sub-total Taxes and Licenses	**3,597**	**56,350**	**59,947**	***PUPA: 504***		
Insurance						
Property and Liability Insurance	2,340	36,660	39,000			
Fidelity Bond Insurance	0	0	0		**Alternative LOSP Split**	**LOSP**
Worker's Compensation	1,736	27,204	28,940		Worker's Compensation	
Director's & Officers' Liability Insurance	0	0	0			
Sub-total Insurance	**4,076**	**63,864**	**67,940**	***PUPA: 571***		
Maintenance & Repair						
Payroll	3,000	47,000	50,000	1 FTE	**Projected LOSP Split**	**LOSP**
Supplies	792	12,408	13,200		Supplies	*6.00%*
Contracts	6,180	96,820	103,000	repair & cleaning, exterminating, grounds	Contracts	
Garbage and Trash Removal	2,016	31,584	33,600		**Alternative LOSP Split**	**LOSP**
Security Payroll/Contract	0	0	0		Security Payroll/Contract	
HVAC Repairs and Maintenance	0	0	0			
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0			
Miscellaneous Operating and Maintenance Expenses	1,082	16,944	18,025	elevator		
Sub-total Maintenance & Repair Expenses	**13,070**	**204,756**	**217,825**	***PUPA: 1,830***		
					Alternative LOSP Split	**LOSP**
Supportive Services	17,159	268,829	285,988	services coordinator	Supportive Services	
Commercial Expenses			0	Links from 'Commercial Op. Budget' Worksheet		
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE	***89,794***	***1,223,656***	***1,313,450***	***PUPA: 11,037***		
Reserves/Ground Lease Base Rent/Bond Fees						
Ground Lease Base Rent	900	14,100	15,000	Ground lease with MOHCD	Provide additional comments here, if needed.	
Bond Monitoring Fee	240	3,760	4,000	MOH annual issuer fee & trustee fee	**Alternative LOSP Split**	**LOSP**
Replacement Reserve Deposit	4,284	67,116	71,400		Replacement Reserve Deposit	
Operating Reserve Deposit	0	0	0		Operating Reserve Deposit	
Other Required Reserve 1 Deposit	0	0	0		Other Required Reserve 1 Deposit	
Other Required Reserve 2 Deposit	0	0	0			
Required Reserve Deposit/s, Commercial			0	Links from 'Commercial Op. Budget' Worksheet		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**5,424**	**84,976**	**90,400**	***PUPA: 760***	Min DSCR:	1.1
					Available for DS in Yr 1:	1,017,748
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE	**95,218**	**1,308,632**	**1,403,850**	***PUPA: 11,797***	Mortgage Rate:	5.00%
					Term (Years):	30
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**6,341**	**1,113,182**	**1,119,523**	***PUPA: 9,408***	Supportable 1st Mortgage Pmt:	$1,027,746
					Supportable 1st Mortgage Amt:	$15,798,977
DEBT SERVICE ("hard debt"/amortized loans)					Proposed 1st Mortgage Amt:	$14,202,879
Hard Debt - First Lender	0	935,875	935,875	California Community Reinves	Provide additional comments here, if needed.	**Alternative LOSP Split**	**LOSP**
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	4,742	37,258	42,000	HCD VHHP	Provide additional comments here, if needed.	Hard Debt - First Lender	*0.00%*
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Provide additional comments here, if needed.	Hard Debt - Second Lender (HCD Program 0..	*11.29%*
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.	Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)
Commercial Hard Debt Service			0	Links from 'Commercial Op. Budget' Worksheet		Hard Debt - Fourth Lender	
TOTAL HARD DEBT SERVICE	**4,742**	**973,133**	**977,875**	***PUPA: 8,217***		
CASH FLOW (NOI minus DEBT SERVICE)	**1,599**	**140,049**	**141,648**			
Commercial Only Cash Flow			0			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	0	0				Allocation of Commercial Surplus to LOPS/no	*100.00%*
AVAILABLE CASH FLOW	**1,599**	**140,049**	**141,648**			
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***1.14***			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL						
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0				
Partnership Management Fee (see policy for limits)	1,299	20,350	21,649	1st		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	300	4,700	5,000	2nd		**Alternative LOSP Split**	**LOSP**
Other Payments	0	0				Other Payments	
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0			Provide additional comments here, if needed.	Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0			Provide additional comments here, if needed.		
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0	57,499	57,499	Def. Develop. Fee split: 50%	Provide additional comments here, if needed.	Deferred Developer Fee (Enter amt <= Max Fe	*0.00%*
TOTAL PAYMENTS PRECEDING MOHCD	**1,599**	**82,549**	**84,148**	***PUPA: 707***		
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	**0**	**57,500**	**57,500**			

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**	Project has MOHCD ground lease?	**Yes**		
Will Project Defer Developer Fee?	**Yes**				
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	50%	Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):	**57,499**	Sum of DD F from LOSP and non-LOSP:	57,499
% of Residual Receipts available for distribution to **soft debt lenders** in \	50%			Ratio of Sum of DDF and calculated 50%:	1.000006138

Soft Debt Lenders with Residual Receipts Obligations		*(Select lender name/program from drop down)*	**Total Principal Amt**	**Distrib. of Soft Debt Loans**
MOHCD/OCII - Soft Debt Loans		All MOHCD/OCII Loans payable from res. rects	$20,593,600	66.98%
MOHCD/OCII - Ground Lease Value		Ground Lease	$150,000	0.49%
HCD (soft debt loan) - Lender 3		HCD VHHP	$10,000,000	32.53%
Other Soft Debt Lender - Lender 4				0.00%
Other Soft Debt Lender - Lender 5				0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
MOHCD Residual Receipts Amount Due		38,797	38,797	50% of residual receipts, multiplied by 67.47% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment		38,797	38,797	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			**18,703**	

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
HCD Residual Receipts Amount Due		18,703	50% of residual receipts, multiplied by 32.53% -- HCD VHHP's pro rata share of all soft debt
Lender 4 Residual Receipts Due		0	
Lender 5 Residual Receipts Due		0	
Total Non-MOHCD Residual Receipts Debt Service		**18,703**	

REMAINDER (Should be zero unless there are distributions below)		**0**	
Owner Distributions/Incentive Management Fee		0	
Other Distributions/Uses		0	
Final Balance (should be zero)		**0**	

Application Date: 6/16/2017
Total # Units: 119
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations)**:** 2020

INCOME

Residential - Tenant Rents	**non-LOSP**	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	*100.00%*	
Residential - LOSP Tenant Assistance Payments		
Commercial Space		
Residential Parking		
Miscellaneous Rent Income	**non-LOSP**	Approved By (reqd)
Supportive Services Income		
Interest Income - Project Operations		
Laundry and Vending	**non-LOSP**	(only acceptable if LOSP-specific expenses are being
Tenant Charges		tracked at entry level in the project's accounting system)
Miscellaneous Residential Income		
Other Commercial Income	**non-LOSP**	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)		
Gross Potential Income		
Vacancy Loss - Residential - Tenant Rents		
Vacancy Loss - Residential - Tenant Assistance Payments		
Vacancy Loss - Commercial		
EFFECTIVE GROSS INCOME		

OPERATING EXPENSES

Management	**non-LOSP**	Approved By (reqd)
Management Fee		
Asset Management Fee		
Sub-total Management Expenses		
Salaries/Benefits	**non-LOSP**	Approved By (reqd)
Office Salaries	*88.71%*	
Manager's Salary		
Health Insurance and Other Benefits		
Other Salaries/Benefits		
Administrative Rent-Free Unit		
Sub-total Salaries/Benefits		
Administration		
Advertising and Marketing		
Office Expenses		
Office Rent	**non-LOSP**	(only acceptable if LOSP-specific expenses are being
Legal Expense - Property	*94.00%*	tracked at entry level in the project's accounting system)
Audit Expense		
Bookkeeping/Accounting Services	**non-LOSP**	(only acceptable if LOSP-specific expenses are being
Bad Debts		tracked at entry level in the project's accounting system)
Miscellaneous		
Sub-total Administration Expenses		
Utilities	**non-LOSP**	(only acceptable if LOSP-specific expenses are being
Electricity	*94.00%*	tracked at entry level in the project's accounting system)
Water		
Gas		
Sewer		
Sub-total Utilities		
Taxes and Licenses	**non-LOSP**	Approved By (reqd)
Real Estate Taxes		
Payroll Taxes		
Miscellaneous Taxes, Licenses and Permits		
Sub-total Taxes and Licenses		
Insurance		
Property and Liability Insurance		
Fidelity Bond Insurance	**non-LOSP**	Approved By (reqd)
Worker's Compensation		
Director's & Officers' Liability Insurance		
Sub-total Insurance		
Maintenance & Repair		
Payroll	**non-LOSP**	(only acceptable if LOSP-specific expenses are being
Supplies	*94.00%*	tracked at entry level in the project's accounting system)
Contracts		
Garbage and Trash Removal	**non-LOSP**	Approved By (reqd)
Security Payroll/Contract		
HVAC Repairs and Maintenance		
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses		
Sub-total Maintenance & Repair Expenses		
	non-LOSP	Approved By (reqd)
Supportive Services		
Commercial Expenses		

TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent		
Bond Monitoring Fee	**non-LOSP**	Approved By (reqd)
Replacement Reserve Deposit		
Operating Reserve Deposit		
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Required Reserve Deposit/s, Commercial		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		

TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE

NET OPERATING INCOME (INCOME minus OP EXPENSES)

DEBT SERVICE ("hard debt"/amortized loans)	**non-LOSP**	Approved By (reqd)
Hard Debt - First Lender	*100.00%*	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	*88.71%*	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
Hard Debt - Fourth Lender		
Commercial Hard Debt Service		
TOTAL HARD DEBT SERVICE		

CASH FLOW (NOI minus DEBT SERVICE)

Commercial Only Cash Flow

Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	*0.00%*	

AVAILABLE CASH FLOW
USES OF CASH FLOW BELOW (This row also shows DSCR.)
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		
Partnership Management Fee (see policy for limits)		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	**non-LOSP**	Approved By (reqd)
Other Payments		
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)		
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	*100.00%*	

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation
Does Project have a MOHCD Residual Receipt Obligation?
Will Project Defer Developer Fee?
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:
% of Residual Receipts available for distribution to **soft debt lenders** in Y

Soft Debt Lenders with Residual Receipts Obligations

MOHCD/OCII - Soft Debt Loans
MOHCD/OCII - Ground Lease Value
HCD (soft debt loan) - Lender 3
Other Soft Debt Lender - Lender 4
Other Soft Debt Lender - Lender 5

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due
Proposed MOHCD Residual Receipts Amount to Loan Repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due
Lender 4 Residual Receipts Due
Lender 5 Residual Receipts Due

Total Non-MOHCD Residual Receipts Debt Service

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee
Other Distributions/Uses

Final Balance (should be zero)

Attachment K: 20-year Operating Proforma

1150 Third Street

				Year 1 2020			Year 2 2021			Year 3 2022			Year 4 2023	
Total # Units:	LOSP Units	Non-LOSP Units												
119	*7*	*112*												
	6.00%	*94.00%*												
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***
Residential - Tenant Rents	2.5%	2.5%		*16,800*	*1,341,828*	1,358,628	*17,220*	1,375,374	1,392,594	*17,651*	1,409,758	1,427,409	*18,092*	1,445,002
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	*1,202,280*	1,202,280	-	*1,224,134*	1,224,134	-	*1,246,370*	1,246,370	-	*1,268,995*
Residential - LOSP Tenant Assistance Payments	n/a	n/a		*85,285*		85,285	*88,041*		88,041	*90,913*		90,913	*93,890*	
Commercial Space	n/a	2.5%				-			-			-		
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		*330*	*5,170*	5,500	*338*	*5,299*	5,638	*347*	*5,432*	5,778	*355*	*5,568*
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%				-			-			-		
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-		-	-		-	-
Gross Potential Income				***102,415***	***2,549,278***	**2,651,693**	***105,599***	***2,604,807***	**2,710,406**	***108,911***	***2,661,560***	**2,770,470**	***112,337***	***2,719,565***
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	*(857)*	*(67,350)*	(68,206)	*(861)*	*(68,769)*	(69,912)	*(883)*	*(70,488)*	(71,659)	*(905)*	*(72,250)*
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	*(60,114)*	(60,114)	-	*(61,207)*	(61,207)	-	*(62,319)*	(62,319)	-	*(63,450)*
Vacancy Loss - Commercial	n/a	n/a				-			-			-		
EFFECTIVE GROSS INCOME				***101,559***	***2,421,814***	**2,523,373**	***104,738***	***2,474,832***	**2,579,288**	***108,028***	***2,528,753***	**2,636,492**	***111,433***	***2,583,865***
OPERATING EXPENSES														
Management														
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	*5,141*	*80,539*	85,680	*5,321*	*83,358*	88,679	*5,507*	*86,276*	91,783	*5,700*	*89,295*
Asset Management Fee	3.5%	3.5%	per MOHCD policy	*900*	*14,100*	15,000	*932*	*14,594*	15,525	*964*	*15,104*	16,068	*998*	*15,633*
Sub-total Management Expenses				***6,041***	***94,639***	**100,680**	***6,252***	***97,952***	**104,204**	***6,471***	***101,380***	**107,851**	***6,698***	***104,928***
Salaries/Benefits														
Office Salaries	3.5%	3.5%		*23,447*	*184,229*	207,676	*24,268*	*190,677*	214,945	*25,117*	*197,350*	222,468	*25,996*	*204,258*
Manager's Salary	3.5%	3.5%		*3,245*	*50,835*	54,080	*3,358*	*52,614*	55,973	*3,476*	*54,456*	57,932	*3,598*	*56,362*
Health Insurance and Other Benefits	3.5%	3.5%		*3,881*	*60,808*	64,689	*4,017*	*62,936*	66,953	*4,158*	*65,139*	69,296	*4,303*	*67,419*
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				***30,573***	***295,872***	**326,445**	***31,644***	***306,227***	**337,871**	***32,751***	***316,945***	**349,696**	***33,897***	***328,038***
Administration														
Advertising and Marketing	3.5%	3.5%		*50*	*776*	825	*51*	*803*	854	*53*	*831*	884	*55*	*860*
Office Expenses	3.5%	3.5%		*1,560*	*24,440*	26,000	*1,615*	*25,295*	26,910	*1,671*	*26,181*	27,852	*1,730*	*27,097*
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		*576*	*9,024*	9,600	*596*	*9,340*	9,936	*617*	*9,667*	10,284	*639*	*10,005*
Audit Expense	3.5%	3.5%		*1,116*	*17,484*	18,600	*1,155*	*18,096*	19,251	*1,195*	*18,729*	19,925	*1,237*	*19,385*
Bookkeeping/Accounting Services	3.5%	3.5%		*840*	*13,160*	14,000	*869*	*13,621*	14,490	*900*	*14,097*	14,997	*931*	*14,591*
Bad Debts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%		*1,080*	*16,920*	18,000	*1,118*	*17,512*	18,630	*1,157*	*18,125*	19,282	*1,197*	*18,760*
Sub-total Administration Expenses				***5,222***	***81,804***	**87,025**	***5,404***	***84,667***	**90,071**	***5,593***	***87,630***	**93,223**	***5,789***	***90,697***
Utilities														
Electricity	3.5%	3.5%		*2,400*	*37,600*	40,000	*2,484*	*38,916*	41,400	*2,571*	*40,278*	42,849	*2,661*	*41,688*
Water	3.5%	3.5%		*3,276*	*51,324*	54,600	*3,391*	*53,120*	56,511	*3,509*	*54,980*	58,489	*3,632*	*56,904*
Gas	3.5%	3.5%		*1,860*	*29,140*	31,000	*1,925*	*30,160*	32,085	*1,992*	*31,215*	33,208	*2,062*	*32,308*
Sewer	3.5%	3.5%		*2,520*	*39,480*	42,000	*2,608*	*40,862*	43,470	*2,699*	*42,292*	44,991	*2,794*	*43,772*
Sub-total Utilities				***10,056***	***157,544***	**167,600**	***10,408***	***163,058***	**173,466**	***10,772***	***168,765***	**179,537**	***11,149***	***174,672***
Taxes and Licenses														
Real Estate Taxes	3.5%	3.5%		*1,500*	*23,500*	25,000	*1,553*	*24,323*	25,875	*1,607*	*25,174*	26,781	*1,663*	*26,055*
Payroll Taxes	3.5%	3.5%		*2,043*	*32,004*	34,047	*2,114*	*33,124*	35,239	*2,188*	*34,284*	36,472	*2,265*	*35,484*
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		*54*	*846*	900	*56*	*876*	932	*58*	*906*	964	*60*	*938*
Sub-total Taxes and Licenses				***3,597***	***56,350***	**59,947**	***3,723***	***58,322***	**62,045**	***3,853***	***60,364***	**64,217**	***3,988***	***62,476***
Insurance														
Property and Liability Insurance	3.5%	3.5%		*2,340*	*36,660*	39,000	*2,422*	*37,943*	40,365	*2,507*	*39,271*	41,778	*2,594*	*40,646*
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		*1,736*	*27,204*	28,940	*1,797*	*28,156*	29,953	*1,860*	*29,141*	31,001	*1,925*	*30,161*
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				***4,076***	***63,864***	**67,940**	***4,219***	***66,099***	**70,318**	***4,367***	***68,412***	**72,779**	***4,520***	***70,807***
Maintenance & Repair														
Payroll	3.5%	3.5%		*3,000*	*47,000*	50,000	*3,105*	*48,645*	51,750	*3,214*	*50,348*	53,561	*3,326*	*52,110*
Supplies	3.5%	3.5%		*792*	*12,408*	13,200	*820*	*12,842*	13,662	*848*	*13,292*	14,140	*878*	*13,757*
Contracts	3.5%	3.5%		*6,180*	*96,820*	103,000	*6,396*	*100,209*	106,605	*6,620*	*103,716*	110,336	*6,852*	*107,346*
Garbage and Trash Removal	3.5%	3.5%		*2,016*	*31,584*	33,600	*2,087*	*32,689*	34,776	*2,160*	*33,834*	35,993	*2,235*	*35,018*
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		*1,082*	*16,944*	18,025	*1,119*	*17,537*	18,656	*1,159*	*18,150*	19,309	*1,199*	*18,786*
Sub-total Maintenance & Repair Expenses				***13,070***	***204,756***	**217,825**	***13,527***	***211,922***	**225,449**	***14,000***	***219,339***	**233,340**	***14,490***	***227,016***
Supportive Services	3.5%	3.5%		*17,159*	*268,829*	285,988	*17,760*	*278,238*	295,998	*18,381*	*287,976*	306,357	*19,025*	*298,055*
Commercial Expenses						-			-			-		
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				***89,794***	***1,223,656***	***1,313,450***	***92,937***	***1,266,484***	**1,359,421**	***96,189***	***1,310,811***	**1,407,000**	***99,556***	***1,356,690***
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						***11,037***								
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent				*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*
Bond Monitoring Fee				*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*
Replacement Reserve Deposit				*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				***95,218***	***1,308,632***	**1,403,850**	***98,361***	***1,351,460***	**1,449,821**	***101,613***	***1,395,787***	**1,497,400**	***104,980***	***1,441,666***
PUPA (w/ Reserves/GL Base Rent/Bond Fees)						***11,797***								
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***6,341***	***1,113,182***	**1,119,523**	***6,377***	***1,123,371***	**1,129,467**	***6,415***	***1,132,966***	**1,139,092**	***6,453***	***1,142,199***
DEBT SERVICE ("hard debt"/amortized loans)														
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-		
TOTAL HARD DEBT SERVICE				***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***
CASH FLOW (NOI minus DEBT SERVICE)				***1,599***	***140,049***	**141,648**	***1,635***	***150,238***	**151,592**	***1,673***	***159,833***	**161,217**	***1,711***	***169,066***
Commercial Only Cash Flow						-			-			-		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-		-	-
AVAILABLE CASH FLOW				***1,599***	***140,049***	**141,648**	***1,635***	***150,238***	**151,592**	***1,673***	***159,833***	**161,217**	***1,711***	***169,066***
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***1.14***			***1.16***			***1.16***		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-		-	-		-	-
Partnership Management Fee (see policy for limits)	2.0%	2.0%	per MOHCD policy	*1,299*	*20,350*	21,649	*1,325*	*20,757*	22,082	*1,351*	*21,172*	22,524	*1,378*	*21,596*
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	*300*	*4,700*	5,000	*311*	*4,865*	5,175	*321*	*5,035*	5,356	*333*	*5,211*
Other Payments				-	-	-	-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-		-	-		-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	*57,499*	57,499	-	*62,167*	62,167	-	*66,669*	66,669	-	*70,982*
TOTAL PAYMENTS PRECEDING MOHCD				***1,599***	***82,549***	**84,148**	***1,635***	***87,789***	***89,424***	***1,673***	***92,876***	***94,549***	***1,711***	***97,789***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	57,500	**57,500**	-	62,450	**62,168**	0	66,957	**66,668**	-	71,277

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:	
Will Project Defer Developer Fee?	***Yes***	2034	
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:	
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033	

Max Deferred Developer Fee Amt (Use for data entry above. DO not link.): *Max Deferred Developer Fee Amt:* 57,499 62,167 66,669

Dist. Soft Debt Loans — Cumulative Deferred Developer Fee Earned *Cum. Deferred Developer Fee:* 57,499 119,666 186,335

MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
MOHCD Residual Receipts Amount Due	*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	38,797	41,946	44,983
Proposed MOHCD Residual Receipts Amount to Loan Repayment			38,797	41,946	44,983
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					
HCD Residual Receipts Amount Due	*32.53%*	loans, and HCD residual receipt policy.	18,703	20,221	21,685
Lender 4 Residual Receipts Due	*0.00%*		-	-	-
Lender 5 Residual Receipts Due	*0.00%*		-	-	-
Total Non-MOHCD Residual Receipts Debt Service			**18,703**	**20,221**	**21,685**
REMAINDER (Should be zero unless there are distributions below)			-	**0**	**0**
Owner Distributions/Incentive Management Fee			-	-	-
Other Distributions/Uses			-		
Final Balance (should be zero)			-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE					
Replacement Reserve Starting Balance			-	**71,400**	**142,800**
Replacement Reserve Deposits			**71,400**	**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-
Replacement Reserve Interest					
RR Running Balance			**71,400**	**142,800**	**214,200**
OPERATING RESERVE - RUNNING BALANCE					
Operating Reserve Starting Balance			-	-	-
Operating Reserve Deposits			-	-	-
Operating Reserve Withdrawals					
Operating Reserve Interest					
OR Running Balance			-	-	-
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					
Other Reserve 1 Starting Balance				-	-
Other Reserve 1 Deposits			-	-	-
Other Reserve 1 Withdrawals					
Other Reserve 1 Interest					
Other Required Reserve 1 Running Balance			-	-	-
OTHER RESERVE 2 - RUNNING BALANCE					
Other Reserve 2 Starting Balance				-	-
Other Reserve 2 Deposits			-	-	-
Other Reserve 2 Withdrawals					
Other Reserve 2 Interest					
Other Required Reserve 2 Running Balance			-	-	-

1150 Third Street

	Total # Units:	LOSP Units	Non-LOSP Units														
	119	7	112			Year 5 2024				Year 6 2025				Year 7 2026			
		6.00%	94.00%														
INCOME		**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***
Residential - Tenant Rents		2.5%	2.5%		1,463,094	*18,544*	1,481,127	1,499,671	*19,008*	1,518,155	1,537,163	*19,483*	1,556,109	1,575,592	*19,970*
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a		1,268,995	-	*1,292,015*	1,292,015	-	*1,315,437*	1,315,437	-	*1,339,266*	1,339,266	-
Residential - LOSP Tenant Assistance Payments		n/a	n/a		93,890	*96,975*		96,975	*100,173*		100,173	*103,486*		103,486	*106,919*
Commercial Space		n/a	2.5%		-			-			-			-	
Residential Parking		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%		5,923	*364*	*5,707*	6,071	*373*	*5,849*	6,223	*383*	*5,996*	6,378	*392*
Tenant Charges		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%		-			-			-			-	
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable		-	-		-	-		-	-		-
Gross Potential Income					**2,831,902**	***115,884***	***2,778,849***	**2,894,733**	***119,554***	***2,839,442***	**2,958,995**	***123,351***	***2,901,371***	**3,024,722**	***127,281***
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(73,451)	*(927)*	*(74,056)*	(75,287)	*(950)*	*(75,908)*	(77,169)	*(974)*	*(77,805)*	(79,099)	*(998)*
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a		(63,450)	-	*(64,601)*	(64,601)	-	*(65,772)*	(65,772)	-	*(66,963)*	(66,963)	-
Vacancy Loss - Commercial		n/a	n/a		-			-			-			-	
EFFECTIVE GROSS INCOME					**2,695,001**	***114,957***	***2,640,192***	**2,754,845**	***118,603***	***2,697,762***	**2,816,054**	***122,377***	***2,756,602***	**2,878,660**	***126,282***
OPERATING EXPENSES															
Management															
Management Fee		3.5%	3.5%	1st Year to be set according to HUD schedule.	94,995	*5,899*	*92,421*	98,320	*6,106*	*95,655*	101,761	*6,319*	*99,003*	105,323	*6,541*
Asset Management Fee		3.5%	3.5%	per MOHCD policy	16,631	*1,033*	*16,180*	17,213	*1,069*	*16,746*	17,815	*1,106*	*17,333*	18,439	*1,145*
Sub-total Management Expenses					**111,626**	***6,932***	***108,601***	**115,533**	***7,175***	***112,402***	**119,576**	***7,426***	***116,336***	**123,761**	***7,686***
Salaries/Benefits															
Office Salaries		3.5%	3.5%		230,254	*26,906*	*211,407*	238,313	*27,848*	*218,806*	246,654	*28,823*	*226,464*	255,287	*29,832*
Manager's Salary		3.5%	3.5%		59,959	*3,723*	*58,335*	62,058	*3,854*	*60,376*	64,230	*3,989*	*62,489*	66,478	*4,128*
Health Insurance and Other Benefits		3.5%	3.5%		71,722	*4,454*	*69,778*	74,232	*4,610*	*72,220*	76,830	*4,771*	*74,748*	79,519	*4,938*
Other Salaries/Benefits		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					**361,935**	***35,084***	***339,519***	**374,603**	***36,312***	***351,403***	**387,714**	***37,583***	***363,702***	**401,284**	***38,898***
Administration															
Advertising and Marketing		3.5%	3.5%		915	*57*	*890*	947	*59*	*921*	980	*61*	*953*	1,014	*63*
Office Expenses		3.5%	3.5%		28,827	*1,790*	*28,045*	29,836	*1,853*	*29,027*	30,880	*1,918*	*30,043*	31,961	*1,985*
Office Rent		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Legal Expense - Property		3.5%	3.5%		10,644	*661*	*10,355*	11,016	*684*	*10,718*	11,402	*708*	*11,093*	11,801	*733*
Audit Expense		3.5%	3.5%		20,622	*1,281*	*20,063*	21,344	*1,325*	*20,766*	22,091	*1,372*	*21,492*	22,864	*1,420*
Bookkeeping/Accounting Services		3.5%	3.5%		15,522	*964*	*15,101*	16,065	*998*	*15,630*	16,628	*1,033*	*16,177*	17,210	*1,069*
Bad Debts		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous		3.5%	3.5%		19,957	*1,239*	*19,416*	20,655	*1,283*	*20,096*	21,378	*1,328*	*20,799*	22,127	*1,374*
Sub-total Administration Expenses					**96,486**	***5,992***	***93,871***	**99,863**	***6,202***	***97,157***	**103,358**	***6,419***	***100,557***	**106,976**	***6,643***
Utilities															
Electricity		3.5%	3.5%		44,349	*2,754*	*43,147*	45,901	*2,850*	*44,657*	47,507	*2,950*	*46,220*	49,170	*3,053*
Water		3.5%	3.5%		60,536	*3,759*	*58,895*	62,655	*3,891*	*60,957*	64,848	*4,027*	*63,090*	67,117	*4,168*
Gas		3.5%	3.5%		34,370	*2,134*	*33,439*	35,573	*2,209*	*34,609*	36,818	*2,286*	*35,821*	38,107	*2,366*
Sewer		3.5%	3.5%		46,566	*2,892*	*45,304*	48,196	*2,993*	*46,890*	49,883	*3,098*	*48,531*	51,629	*3,206*
Sub-total Utilities					**185,821**	***11,539***	***180,785***	**192,325**	***11,943***	***187,113***	**199,056**	***12,361***	***193,662***	**206,023**	***12,794***
Taxes and Licenses															
Real Estate Taxes		3.5%	3.5%		27,718	*1,721*	*26,967*	28,688	*1,782*	*27,911*	29,692	*1,844*	*28,888*	30,731	*1,908*
Payroll Taxes		3.5%	3.5%		37,749	*2,344*	*36,726*	39,070	*2,426*	*38,011*	40,437	*2,511*	*39,341*	41,852	*2,599*
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%		998	*62*	*971*	1,033	*64*	*1,005*	1,069	*66*	*1,040*	1,106	*69*
Sub-total Taxes and Licenses					**66,464**	***4,127***	***64,663***	**68,791**	***4,272***	***66,926***	**71,198**	***4,421***	***69,269***	**73,690**	***4,576***
Insurance															
Property and Liability Insurance		3.5%	3.5%		43,240	*2,685*	*42,068*	44,753	*2,779*	*43,541*	46,320	*2,876*	*45,065*	47,941	*2,977*
Fidelity Bond Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%		32,086	*1,993*	*31,217*	33,209	*2,062*	*32,309*	34,372	*2,134*	*33,440*	35,575	*2,209*
Director's & Officers' Liability Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance					**75,326**	***4,678***	***73,285***	**77,963**	***4,841***	***75,850***	**80,691**	***5,011***	***78,505***	**83,516**	***5,186***
Maintenance & Repair															
Payroll		3.5%	3.5%		55,436	*3,443*	*53,934*	57,376	*3,563*	*55,821*	59,384	*3,688*	*57,775*	61,463	*3,817*
Supplies		3.5%	3.5%		14,635	*909*	*14,238*	15,147	*941*	*14,737*	15,677	*974*	*15,253*	16,226	*1,008*
Contracts		3.5%	3.5%		114,198	*7,092*	*111,103*	118,195	*7,340*	*114,992*	122,332	*7,597*	*119,017*	126,613	*7,863*
Garbage and Trash Removal		3.5%	3.5%		37,253	*2,313*	*36,243*	38,557	*2,394*	*37,512*	39,906	*2,478*	*38,825*	41,303	*2,565*
Security Payroll/Contract		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%		19,985	*1,241*	*19,443*	20,684	*1,284*	*20,124*	21,408	*1,329*	*20,828*	22,157	*1,376*
Sub-total Maintenance & Repair Expenses					**241,506**	***14,998***	***234,962***	**249,959**	***15,522***	***243,185***	**258,708**	***16,066***	***251,697***	**267,763**	***16,628***
Supportive Services		3.5%	3.5%		317,080	*19,691*	*308,487*	328,178	*20,380*	*319,284*	339,664	*21,093*	*330,459*	351,552	*21,831*
Commercial Expenses					-			-			-			-	
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES					**1,456,245**	***103,040***	***1,404,174***	**1,507,214**	***106,647***	***1,453,320***	**1,559,967**	***110,379***	***1,504,186***	**1,614,565**	***114,243***
PUPA (w/o Reserves/GL Base Rent/Bond Fees)															
Reserves/Ground Lease Base Rent/Bond Fees						*ate each cell rather than dragging across multiple cells.*									
Ground Lease Base Rent					15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*
Bond Monitoring Fee					4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*
Replacement Reserve Deposit					71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES					**1,546,645**	***108,464***	***1,489,150***	**1,597,614**	***112,071***	***1,538,296***	**1,650,367**	***115,803***	***1,589,162***	**1,704,965**	***119,667***
PUPA (w/ Reserves/GL Base Rent/Bond Fees)															
NET OPERATING INCOME (INCOME minus OP EXPENSES)					**1,148,356**	***6,492***	***1,151,042***	**1,157,231**	***6,532***	***1,159,466***	**1,165,687**	***6,574***	***1,167,440***	**1,173,695**	***6,616***
DEBT SERVICE ("hard debt"/amortized loans)						*ate each cell rather than dragging across multiple cells.*									
Hard Debt - First Lender				Enter comments re: annual increase, etc.	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					-			-			-			-	
TOTAL HARD DEBT SERVICE					**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***
CASH FLOW (NOI minus DEBT SERVICE)					**170,481**	***1,750***	***177,909***	**179,356**	***1,790***	***186,333***	**187,812**	***1,832***	***194,307***	**195,820**	***1,874***
Commercial Only Cash Flow					**-**			**-**			**-**			**-**	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)						-	-		-	-		-	-		-
AVAILABLE CASH FLOW					**170,481**	***1,750***	***177,909***	**179,356**	***1,790***	***186,333***	**187,812**	***1,832***	***194,307***	**195,820**	***1,874***
USES OF CASH FLOW BELOW (This row also shows DSCR.)				***DSCR:***	***1.17***			***1.18***			***1.19***			***1.2***	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL						*ate each cell rather than dragging across multiple cells.*									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy		-	-		-	-		-	-		-
Partnership Management Fee (see policy for limits)		2.0%	2.0%	per MOHCD policy	22,974	*1,406*	*22,028*	23,434	*1,434*	*22,468*	23,902	*1,463*	*22,917*	24,380	*1,492*
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	5,544	*344*	*5,393*	5,738	*356*	*5,582*	5,938	*369*	*5,778*	6,146	*382*
Other Payments						-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.		-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.		-	-		-	-		-	-		-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					70,982	-	*75,092*	75,092	-	*78,986*	78,986	-	*82,647*	82,647	-
TOTAL PAYMENTS PRECEDING MOHCD					***99,500***	***1,750***	***102,513***	***104,263***	***1,790***	***107,036***	***108,827***	***1,832***	***111,342***	***113,174***	***1,874***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					**70,981**	0	75,396	**75,092**	-	79,297	**78,986**	0	82,965	**82,646**	(0)

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:	
Will Project Defer Developer Fee?	***Yes***	2034	
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:	
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033	

			Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):	70,982	75,092	78,986	82,647
		Dist. Soft Debt Loans	Cumulative Deferred Developer Fee Earned	257,317	332,409	411,395	494,042
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due		*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	47,893	50,667	53,294	55,764
Proposed MOHCD Residual Receipts Amount to Loan Repayment				47,893	50,667	53,294	55,764
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due		*32.53%*	loans, and HCD residual receipt policy.	23,088	24,425	25,692	26,882
Lender 4 Residual Receipts Due		*0.00%*		-	-	-	-
Lender 5 Residual Receipts Due		*0.00%*		-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service				**23,088**	**24,425**	**25,692**	**26,882**
REMAINDER (Should be zero unless there are distributions below)				**0**	**0**	**0**	**0**
Owner Distributions/Incentive Management Fee				-	-	-	-
Other Distributions/Uses							
Final Balance (should be zero)				**-**	**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE							
Replacement Reserve Starting Balance				**214,200**	**285,600**	**357,000**	**428,400**
Replacement Reserve Deposits				**71,400**	**71,400**	**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)				**-**	**-**	**-**	**-**
Replacement Reserve Interest							
RR Running Balance				**285,600**	**357,000**	**428,400**	**499,800**
OPERATING RESERVE - RUNNING BALANCE							
Operating Reserve Starting Balance				**-**	**-**	**-**	**-**
Operating Reserve Deposits				**-**	**-**	**-**	**-**
Operating Reserve Withdrawals							
Operating Reserve Interest							
OR Running Balance				**-**	**-**	**-**	**-**
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							
Other Reserve 1 Starting Balance				**-**	**-**	**-**	**-**
Other Reserve 1 Deposits				**-**	**-**	**-**	**-**
Other Reserve 1 Withdrawals							
Other Reserve 1 Interest							
Other Required Reserve 1 Running Balance				**-**	**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE							
Other Reserve 2 Starting Balance				**-**	**-**	**-**	**-**
Other Reserve 2 Deposits				**-**	**-**	**-**	**-**
Other Reserve 2 Withdrawals							
Other Reserve 2 Interest							
Other Required Reserve 2 Running Balance				**-**	**-**	**-**	**-**

1150 Third Street

	Total # Units:	LOSP Units	Non-LOSP Units		Year 8 2027		Year 9 2028			Year 10 2029			Year 11 2030		
	119	7	112												
		6.00%	94.00%												
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total
Residential - Tenant Rents		2.5%	2.5%		1,595,012	1,614,982	*20,469*	1,634,887	1,655,356	*20,981*	1,675,759	1,696,740	*21,505*	1,717,653	1,739,159
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a		*1,363,510*	1,363,510	-	*1,388,175*	1,388,175	-	*1,413,268*	1,413,268	-	*1,438,797*	1,438,797
Residential - LOSP Tenant Assistance Payments		n/a	n/a			106,919	*110,476*		110,476	*114,163*		114,163	*117,983*		117,983
Commercial Space		n/a	2.5%			-			-			-			-
Residential Parking		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%		*6,146*	6,538	*402*	*6,299*	6,701	*412*	*6,457*	6,869	*422*	*6,618*	7,040
Tenant Charges		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%			-			-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable	-		-	-		-	-		-	-	
Gross Potential Income					***2,964,667***	**3,091,948**	***131,348***	***3,029,361***	**3,160,709**	***135,556***	***3,095,484***	**3,231,040**	***139,911***	***3,163,068***	**3,302,979**
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	*(79,751)*	(81,076)	*(1,023)*	*(81,744)*	(83,103)	*(1,049)*	*(83,788)*	(85,180)	*(1,075)*	*(85,883)*	(87,310)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a		*(68,176)*	(68,176)	-	*(69,409)*	(69,409)	-	*(70,663)*	(70,663)	-	*(71,940)*	(71,940)
Vacancy Loss - Commercial		n/a	n/a			-			-			-			-
EFFECTIVE GROSS INCOME					***2,816,741***	**2,942,697**	***130,324***	***2,878,208***	**3,008,197**	***134,507***	***2,941,033***	**3,075,196**	***138,835***	***3,005,246***	**3,143,729**
OPERATING EXPENSES															
Management															
Management Fee		3.5%	3.5%	1st Year to be set according to HUD schedule.	*102,468*	109,009	*6,769*	*106,055*	112,824	*7,006*	*109,767*	116,773	*7,252*	*113,608*	120,860
Asset Management Fee		3.5%	3.5%	per MOHCD policy	*17,939*	19,084	*1,185*	*18,567*	19,752	*1,227*	*19,217*	20,443	*1,270*	*19,889*	21,159
Sub-total Management Expenses					***120,407***	**128,093**	***7,955***	***124,622***	**132,576**	***8,233***	***128,984***	**137,217**	***8,521***	***133,498***	**142,019**
Salaries/Benefits															
Office Salaries		3.5%	3.5%		*234,390*	264,222	*30,876*	*242,594*	273,470	*31,956*	*251,085*	283,041	*33,075*	*259,873*	292,948
Manager's Salary		3.5%	3.5%		*64,677*	68,805	*4,273*	*66,940*	71,213	*4,422*	*69,283*	73,705	*4,577*	*71,708*	76,285
Health Insurance and Other Benefits		3.5%	3.5%		*77,364*	82,302	*5,111*	*80,072*	85,183	*5,290*	*82,875*	88,164	*5,475*	*85,775*	91,250
Other Salaries/Benefits		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					***376,431***	**415,329**	***40,259***	***389,606***	**429,866**	***41,668***	***403,243***	**444,911**	***43,127***	***417,356***	**460,483**
Administration															
Advertising and Marketing		3.5%	3.5%		*987*	1,050	*65*	*1,021*	1,086	*67*	*1,057*	1,124	*70*	*1,094*	1,164
Office Expenses		3.5%	3.5%		*31,095*	33,079	*2,054*	*32,183*	34,237	*2,126*	*33,309*	35,435	*2,201*	*34,475*	36,676
Office Rent		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Legal Expense - Property		3.5%	3.5%		*11,481*	12,214	*758*	*11,883*	12,641	*785*	*12,299*	13,084	*813*	*12,729*	13,542
Audit Expense		3.5%	3.5%		*22,245*	23,664	*1,470*	*23,023*	24,493	*1,521*	*23,829*	25,350	*1,574*	*24,663*	26,237
Bookkeeping/Accounting Services		3.5%	3.5%		*16,743*	17,812	*1,106*	*17,329*	18,435	*1,145*	*17,936*	19,081	*1,185*	*18,563*	19,748
Bad Debts		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous		3.5%	3.5%		*21,527*	22,901	*1,422*	*22,280*	23,703	*1,472*	*23,060*	24,532	*1,523*	*23,867*	25,391
Sub-total Administration Expenses					***104,077***	**110,720**	***6,876***	***107,720***	**114,595**	***7,116***	***111,490***	**118,606**	***7,365***	***115,392***	**122,757**
Utilities															
Electricity		3.5%	3.5%		*47,838*	50,891	*3,160*	*49,512*	52,672	*3,271*	*51,245*	54,516	*3,385*	*53,039*	56,424
Water		3.5%	3.5%		*65,298*	69,466	*4,314*	*67,584*	71,898	*4,465*	*69,949*	74,414	*4,621*	*72,398*	77,019
Gas		3.5%	3.5%		*37,074*	39,441	*2,449*	*38,372*	40,821	*2,535*	*39,715*	42,250	*2,624*	*41,105*	43,729
Sewer		3.5%	3.5%		*50,230*	53,436	*3,318*	*51,988*	55,306	*3,435*	*53,807*	57,242	*3,555*	*55,690*	59,245
Sub-total Utilities					***200,440***	**213,234**	***13,242***	***207,455***	**220,697**	***13,705***	***214,716***	**228,422**	***14,185***	***222,231***	**236,416**
Taxes and Licenses															
Real Estate Taxes		3.5%	3.5%		*29,899*	31,807	*1,975*	*30,945*	32,920	*2,044*	*32,028*	34,072	*2,116*	*33,149*	35,265
Payroll Taxes		3.5%	3.5%		*40,718*	43,317	*2,690*	*42,143*	44,833	*2,784*	*43,618*	46,403	*2,882*	*45,145*	48,027
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%		*1,076*	1,145	*71*	*1,114*	1,185	*74*	*1,153*	1,227	*76*	*1,193*	1,270
Sub-total Taxes and Licenses					***71,693***	**76,269**	***4,736***	***74,202***	**78,939**	***4,902***	***76,800***	**81,702**	***5,074***	***79,487***	**84,561**
Insurance															
Property and Liability Insurance		3.5%	3.5%		*46,642*	49,619	*3,081*	*48,274*	51,356	*3,189*	*49,964*	53,153	*3,301*	*51,713*	55,013
Fidelity Bond Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%		*34,611*	36,820	*2,287*	*35,822*	38,108	*2,367*	*37,076*	39,442	*2,449*	*38,373*	40,823
Director's & Officers' Liability Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance					***81,252***	**86,439**	***5,368***	***84,096***	**89,464**	***5,556***	***87,040***	**92,595**	***5,750***	***90,086***	**95,836**
Maintenance & Repair															
Payroll		3.5%	3.5%		*59,797*	63,614	*3,950*	*61,890*	65,840	*4,089*	*64,056*	68,145	*4,232*	*66,298*	70,530
Supplies		3.5%	3.5%		*15,786*	16,794	*1,043*	*16,339*	17,382	*1,079*	*16,911*	17,990	*1,117*	*17,503*	18,620
Contracts		3.5%	3.5%		*123,182*	131,045	*8,138*	*127,493*	135,631	*8,423*	*131,956*	140,378	*8,718*	*136,574*	145,292
Garbage and Trash Removal		3.5%	3.5%		*40,184*	42,749	*2,655*	*41,590*	44,245	*2,748*	*43,046*	45,793	*2,844*	*44,552*	47,396
Security Payroll/Contract		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%		*21,557*	22,933	*1,424*	*22,311*	23,735	*1,474*	*23,092*	24,566	*1,526*	*23,900*	25,426
Sub-total Maintenance & Repair Expenses					***260,506***	**277,134**	***17,210***	***269,624***	**286,834**	***17,812***	***279,061***	**296,873**	***18,436***	***288,828***	**307,264**
Supportive Services		3.5%	3.5%		*342,025*	363,857	*22,595*	*353,996*	376,592	*23,386*	*366,386*	389,772	*24,205*	*379,209*	403,414
Commercial Expenses						-			-			-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES					***1,556,832***	**1,671,075**	***118,241***	***1,611,322***	**1,729,563**	***122,380***	***1,667,718***	**1,790,098**	***126,663***	***1,726,088***	**1,852,751**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)															
Reserves/Ground Lease Base Rent/Bond Fees															
Ground Lease Base Rent					*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000
Bond Monitoring Fee					*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000
Replacement Reserve Deposit					*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES					***1,641,808***	**1,761,475**	***123,665***	***1,696,298***	**1,819,963**	***127,804***	***1,752,694***	**1,880,498**	***132,087***	***1,811,064***	**1,943,151**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)															
NET OPERATING INCOME (INCOME minus OP EXPENSES)					***1,174,933***	**1,181,222**	***6,659***	***1,181,911***	**1,188,234**	***6,703***	***1,188,339***	**1,194,698**	***6,749***	***1,194,182***	**1,200,578**
DEBT SERVICE ("hard debt"/amortized loans)															
Hard Debt - First Lender				Enter comments re: annual increase, etc.	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*	935,875
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-			-
TOTAL HARD DEBT SERVICE					***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**
CASH FLOW (NOI minus DEBT SERVICE)					***201,800***	**203,347**	***1,917***	***208,777***	**210,359**	***1,961***	***215,206***	**216,823**	***2,007***	***221,049***	**222,703**
Commercial Only Cash Flow						**-**			**-**			**-**			**-**
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					-		-	-		-	-		-	-	
AVAILABLE CASH FLOW					***201,800***	**203,347**	***1,917***	***208,777***	**210,359**	***1,961***	***215,206***	**216,823**	***2,007***	***221,049***	**222,703**
USES OF CASH FLOW BELOW (This row also shows DSCR.)				***DSCR:***		***1.21***			***1.22***			***1.22***			***1.23***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL															
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy	-		-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)		2.0%	2.0%	per MOHCD policy	*23,376*	24,868	*1,522*	*23,843*	25,365	*1,552*	*24,320*	25,873	*1,583*	*24,807*	26,390
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	*5,980*	6,361	*395*	*6,189*	6,584	*409*	*6,406*	6,814	*423*	*6,630*	7,053
Other Payments					-		-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.	-		-	-		-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.	-		-	-		-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					*86,059*	86,059	-	*89,205*	89,205	-	*92,068*	92,068	-	*94,630*	94,630
TOTAL PAYMENTS PRECEDING MOHCD					***115,415***	***117,288***	***1,917***	***119,237***	***121,154***	***1,961***	***122,794***	***124,755***	***2,007***	***126,066***	***128,073***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					86,385	**86,058**	(0)	89,540	**89,205**	(0)	92,412	**92,068**	0	94,982	**94,630**

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:
Will Project Defer Developer Fee?	***Yes***	2034
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033

Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):			86,059	89,205	92,068	94,630
	Dist. Soft Debt Loans		ative Deferred Developer Fee Earned	580,101	669,306	761,374	856,004
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due	*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		58,066	60,189	62,121	63,850
Proposed MOHCD Residual Receipts Amount to Loan Repayment				58,066	60,189	62,121	63,850
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment		-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due	*32.53%*	loans, and HCD residual receipt policy.		27,992	29,016	29,947	30,780
Lender 4 Residual Receipts Due	*0.00%*			-	-	-	-
Lender 5 Residual Receipts Due	*0.00%*			-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service				**27,992**	**29,016**	**29,947**	**30,780**
REMAINDER (Should be zero unless there are distributions below)				**0**	**0**	**0**	**0**
Owner Distributions/Incentive Management Fee				-	-	-	-
Other Distributions/Uses							
Final Balance (should be zero)				-	-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE							
Replacement Reserve Starting Balance				**499,800**	**571,200**	**642,600**	**714,000**
Replacement Reserve Deposits				**71,400**	**71,400**	**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)				**-**	**-**	**-**	**-**
Replacement Reserve Interest							
RR Running Balance				**571,200**	**642,600**	**714,000**	**785,400**
OPERATING RESERVE - RUNNING BALANCE							
Operating Reserve Starting Balance				-	-	-	-
Operating Reserve Deposits				-	-	-	-
Operating Reserve Withdrawals							
Operating Reserve Interest							
OR Running Balance				-	-	-	-
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							
Other Reserve 1 Starting Balance				-	-	-	-
Other Reserve 1 Deposits				-	-	-	-
Other Reserve 1 Withdrawals							
Other Reserve 1 Interest							
Other Required Reserve 1 Running Balance				-	-	-	-
OTHER RESERVE 2 - RUNNING BALANCE							
Other Reserve 2 Starting Balance				-	-	-	-
Other Reserve 2 Deposits				-	-	-	-
Other Reserve 2 Withdrawals							
Other Reserve 2 Interest							
Other Required Reserve 2 Running Balance				-	-	-	-

1150 Third Street

Total # Units:	LOSP Units	Non-LOSP Units
119	7	112
	6.00%	94.00%

INCOME	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 12 2031 LOSP	Year 12 2031 non-LOSP	Year 12 2031 Total	Year 13 2032 LOSP	Year 13 2032 non-LOSP	Year 13 2032 Total	Year 14 2033 LOSP	Year 14 2033 non-LOSP	Year 14 2033 Total	Year 15 2034 LOSP	Year 15 2034 non-LOSP
Residential - Tenant Rents	2.5%	2.5%		22,043	1,760,595	1,782,638	22,594	1,804,609	1,827,204	23,159	1,849,725	1,872,884	23,738	1,895,968
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	1,464,767	1,464,767	-	1,491,187	1,491,187	-	1,518,064	1,518,064	-	1,545,404
Residential - LOSP Tenant Assistance Payments	n/a	n/a		121,941		121,941	126,043		126,043	130,293		130,293	134,697	
Commercial Space	n/a	2.5%				-			-			-		
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		433	6,783	7,216	444	6,953	7,397	455	7,127	7,582	466	7,305
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%				-			-			-		
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-		-	-
Gross Potential Income				***144,417***	***3,232,145***	**3,376,562**	***149,081***	***3,302,750***	**3,451,830**	***153,907***	***3,374,916***	**3,528,822**	***158,901***	***3,448,677***
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(1,102)	(88,030)	(89,493)	(1,130)	(90,230)	(91,730)	(1,158)	(92,486)	(94,023)	(1,187)	(94,798)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(73,238)	(73,238)	-	(74,559)	(74,559)	-	(75,903)	(75,903)	-	(77,270)
Vacancy Loss - Commercial	n/a	n/a				-			-			-		
EFFECTIVE GROSS INCOME				***143,315***	***3,070,877***	**3,213,831**	***147,951***	***3,137,960***	**3,285,541**	***152,749***	***3,206,526***	**3,358,896**	***157,714***	***3,276,608***
OPERATING EXPENSES														
Management														
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	7,505	117,585	125,090	7,768	121,700	129,468	8,040	125,960	134,000	8,321	130,368
Asset Management Fee	3.5%	3.5%	per MOHCD policy	1,314	20,586	21,900	1,360	21,306	22,666	1,408	22,052	23,459	1,457	22,824
Sub-total Management Expenses				***8,819***	***138,170***	**146,990**	***9,128***	***143,006***	**152,134**	***9,448***	***148,012***	**157,459**	***9,778***	***153,192***
Salaries/Benefits														
Office Salaries	3.5%	3.5%		34,232	268,968	303,201	35,430	278,382	313,813	36,671	288,126	324,796	37,954	298,210
Manager's Salary	3.5%	3.5%		4,737	74,218	78,955	4,903	76,815	81,719	5,075	79,504	84,579	5,252	82,287
Health Insurance and Other Benefits	3.5%	3.5%		5,667	88,777	94,444	5,865	91,885	97,750	6,070	95,101	101,171	6,283	98,429
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				***44,636***	***431,964***	**476,600**	***46,199***	***447,082***	**493,281**	***47,816***	***462,730***	**510,546**	***49,489***	***478,926***
Administration														
Advertising and Marketing	3.5%	3.5%		72	1,132	1,204	75	1,172	1,247	77	1,213	1,290	80	1,255
Office Expenses	3.5%	3.5%		2,278	35,682	37,959	2,357	36,931	39,288	2,440	38,223	40,663	2,525	39,561
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		841	13,175	14,016	870	13,636	14,506	901	14,113	15,014	932	14,607
Audit Expense	3.5%	3.5%		1,629	25,526	27,155	1,686	26,420	28,106	1,745	27,344	29,090	1,806	28,301
Bookkeeping/Accounting Services	3.5%	3.5%		1,226	19,213	20,440	1,269	19,886	21,155	1,314	20,582	21,895	1,360	21,302
Bad Debts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%		1,577	24,703	26,279	1,632	25,567	27,199	1,689	26,462	28,151	1,748	27,388
Sub-total Administration Expenses				***7,623***	***119,431***	**127,054**	***7,890***	***123,611***	**131,501**	***8,166***	***127,937***	**136,103**	***8,452***	***132,415***
Utilities														
Electricity	3.5%	3.5%		3,504	54,895	58,399	3,627	56,816	60,443	3,753	58,805	62,558	3,885	60,863
Water	3.5%	3.5%		4,783	74,931	79,714	4,950	77,554	82,504	5,124	80,268	85,392	5,303	83,078
Gas	3.5%	3.5%		2,716	42,544	45,259	2,811	44,033	46,843	2,909	45,574	48,483	3,011	47,169
Sewer	3.5%	3.5%		3,679	57,640	61,319	3,808	59,657	63,465	3,941	61,745	65,686	4,079	63,906
Sub-total Utilities				***14,681***	***230,009***	**244,691**	***15,195***	***238,060***	**253,255**	***15,727***	***246,392***	**262,119**	***16,278***	***255,016***
Taxes and Licenses														
Real Estate Taxes	3.5%	3.5%		2,190	34,309	36,499	2,267	35,510	37,777	2,346	36,753	39,099	2,428	38,039
Payroll Taxes	3.5%	3.5%		2,982	46,725	49,708	3,087	48,361	51,447	3,195	50,053	53,248	3,307	51,805
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		79	1,235	1,314	82	1,278	1,360	84	1,323	1,408	87	1,369
Sub-total Taxes and Licenses				***5,251***	***82,270***	**87,521**	***5,435***	***85,149***	**90,584**	***5,625***	***88,129***	**93,754**	***5,822***	***91,214***
Insurance														
Property and Liability Insurance	3.5%	3.5%		3,416	53,522	56,939	3,536	55,396	58,932	3,660	57,335	60,994	3,788	59,341
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		2,535	39,716	42,252	2,624	41,107	43,730	2,716	42,545	45,261	2,811	44,034
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				***5,951***	***93,239***	**99,190**	***6,160***	***96,502***	**102,662**	***6,375***	***99,880***	**106,255**	***6,598***	***103,376***
Maintenance & Repair														
Payroll	3.5%	3.5%		4,380	68,619	72,998	4,533	71,020	75,553	4,692	73,506	78,198	4,856	76,079
Supplies	3.5%	3.5%		1,156	18,115	19,272	1,197	18,749	19,946	1,239	19,406	20,644	1,282	20,085
Contracts	3.5%	3.5%		9,023	141,354	150,377	9,338	146,302	155,640	9,665	151,422	161,087	10,004	156,722
Garbage and Trash Removal	3.5%	3.5%		2,943	46,112	49,055	3,046	47,726	50,772	3,153	49,396	52,549	3,263	51,125
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		1,579	24,737	26,316	1,634	25,603	27,237	1,691	26,499	28,190	1,751	27,426
Sub-total Maintenance & Repair Expenses				***19,081***	***298,937***	**318,018**	***19,749***	***309,400***	**329,149**	***20,440***	***320,229***	**340,669**	***21,156***	***331,437***
Supportive Services	3.5%	3.5%		25,052	392,482	417,534	25,929	406,219	432,148	26,836	420,436	447,273	27,776	435,152
Commercial Expenses						-			-			-		
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				***131,096***	***1,786,501***	**1,917,597**	***135,684***	***1,849,029***	**1,984,713**	***140,433***	***1,913,745***	**2,054,178**	***145,349***	***1,980,726***
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent				900	14,100	15,000	900	14,100	15,000	900	14,100	15,000	900	14,100
Bond Monitoring Fee				240	3,760	4,000	240	3,760	4,000	240	3,760	4,000	240	3,760
Replacement Reserve Deposit				4,284	67,116	71,400	4,284	67,116	71,400	4,284	67,116	71,400	4,284	67,116
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				***136,520***	***1,871,477***	**2,007,997**	***141,108***	***1,934,005***	**2,075,113**	***145,857***	***1,998,721***	**2,144,578**	***150,773***	***2,065,702***
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***6,795***	***1,199,400***	**1,205,834**	***6,843***	***1,203,955***	**1,210,428**	***6,891***	***1,207,806***	**1,214,318**	***6,941***	***1,210,907***
DEBT SERVICE ("hard debt"/amortized loans)														
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	935,875	935,875	-	935,875	935,875	-	935,875	935,875	-	935,875
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	4,742	37,258	42,000	4,742	37,258	42,000	4,742	37,258	42,000	4,742	37,258
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-			-			-		
TOTAL HARD DEBT SERVICE				***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***
CASH FLOW (NOI minus DEBT SERVICE)				***2,053***	***226,267***	**227,959**	***2,101***	***230,822***	**232,553**	***2,150***	***234,672***	**236,443**	***2,200***	***237,774***
Commercial Only Cash Flow						-			-			-		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-		-	-		-	-
AVAILABLE CASH FLOW				***2,053***	***226,267***	**227,959**	***2,101***	***230,822***	**232,553**	***2,150***	***234,672***	**236,443**	***2,200***	***237,774***
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***1.23***			***1.24***			***1.24***		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-		-	-		-	-		-	-
Partnership Management Fee (see policy for limits)	2.0%	2.0%	per MOHCD policy	1,615	25,303	26,918	1,647	25,809	27,456	1,680	26,325	28,005	1,714	26,851
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	438	6,862	7,300	453	7,102	7,555	469	7,351	7,820	486	7,608
Other Payments				-	-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-		-	-		-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-		-	-		-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	96,871	96,871	-	37,125	37,125	-	-		-	-
TOTAL PAYMENTS PRECEDING MOHCD				***2,053***	***129,036***	**131,089**	***2,101***	***70,036***	**72,137**	***2,150***	***33,676***	**35,825**	***2,200***	***34,459***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	97,231	**96,870**	0	160,786	**160,416**	(0)	200,997	**200,618**	(0)	203,314

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:
Will Project Defer Developer Fee?	***Yes***	2034
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033

Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):				96,871	37,125	-
		Dist. Soft Debt Loans	Cumulative Deferred Developer Fee Earned	952,875	990,000	990,000
MOHCD RESIDUAL RECEIPTS DEBT SERVICE						
MOHCD Residual Receipts Amount Due		*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	65,361	108,238	90,242
Proposed MOHCD Residual Receipts Amount to Loan Repayment				65,361	108,238	90,242
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE						
HCD Residual Receipts Amount Due		*32.53%*	loans, and HCD residual receipt policy.	31,509	52,179	43,503
Lender 4 Residual Receipts Due		*0.00%*		-	-	-
Lender 5 Residual Receipts Due		*0.00%*		-	-	-
Total Non-MOHCD Residual Receipts Debt Service				**31,509**	**52,179**	**43,503**
REMAINDER (Should be zero unless there are distributions below)				**0**	**0**	**66,873**
Owner Distributions/Incentive Management Fee				-	-	66,873
Other Distributions/Uses						
Final Balance (should be zero)				-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE						
Replacement Reserve Starting Balance				**785,400**	**856,800**	**928,200**
Replacement Reserve Deposits				**71,400**	**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)				-	-	-
Replacement Reserve Interest						
RR Running Balance				**856,800**	**928,200**	**999,600**
OPERATING RESERVE - RUNNING BALANCE						
Operating Reserve Starting Balance				-	-	-
Operating Reserve Deposits				-	-	-
Operating Reserve Withdrawals						
Operating Reserve Interest						
OR Running Balance				-	-	-
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE						
Other Reserve 1 Starting Balance				-	-	-
Other Reserve 1 Deposits				-	-	-
Other Reserve 1 Withdrawals						
Other Reserve 1 Interest						
Other Required Reserve 1 Running Balance				-	-	-
OTHER RESERVE 2 - RUNNING BALANCE						
Other Reserve 2 Starting Balance				-	-	-
Other Reserve 2 Deposits				-	-	-
Other Reserve 2 Withdrawals						
Other Reserve 2 Interest						
Other Required Reserve 2 Running Balance				-	-	-

1150 Third Street

Total # Units:	LOSP Units	Non-LOSP Units														
119	*7*	*112*														
	6.00%	*94.00%*														
					Year 16 2035				**Year 17 2036**				**Year 18 2037**			
INCOME	**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***
Residential - Tenant Rents	2.5%	2.5%		1,919,706	*24,331*	1,943,367	1,967,698	*24,940*	1,991,951	2,016,891	*25,563*	2,041,750	2,067,313	*26,202*
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		1,545,404	-	*1,573,236*	1,573,236	-	*1,601,570*	1,601,570	-	*1,630,414*	1,630,414	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		134,697	*139,260*		139,260	*143,988*		143,988	*148,887*		148,887	*153,962*
Commercial Space	n/a	2.5%		-			-			-			-	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		7,771	*478*	*7,488*	7,966	*490*	*7,675*	8,165	*502*	*7,867*	8,369	*515*
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%		-			-			-			-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable		-	-		-	-		-	-		-
Gross Potential Income				**3,607,578**	***164,069***	***3,524,091***	**3,688,160**	***169,417***	***3,601,196***	**3,770,613**	***174,952***	***3,680,031***	**3,854,983**	***180,679***
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(96,374)	*(1,217)*	*(97,168)*	(98,783)	*(1,247)*	*(99,598)*	(101,253)	*(1,278)*	*(102,087)*	(103,784)	*(1,310)*
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(77,270)	-	*(78,662)*	(78,662)	-	*(80,079)*	(80,079)	-	*(81,521)*	(81,521)	-
Vacancy Loss - Commercial	n/a	n/a		-			-			-			-	
EFFECTIVE GROSS INCOME				**3,433,934**	***162,853***	***3,348,261***	**3,510,715**	***168,170***	***3,421,520***	**3,589,282**	***173,674***	***3,496,423***	**3,669,678**	***179,369***
OPERATING EXPENSES														
Management														
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	138,690	*8,613*	*134,931*	143,544	*8,914*	*139,654*	148,568	*9,226*	*144,542*	153,768	*9,549*
Asset Management Fee	3.5%	3.5%	per MOHCD policy	24,280	*1,508*	*23,622*	25,130	*1,561*	*24,449*	26,010	*1,615*	*25,305*	26,920	*1,672*
Sub-total Management Expenses				**162,970**	***10,120***	***158,554***	**168,674**	***10,475***	***164,103***	**174,578**	***10,841***	***169,847***	**180,688**	***11,221***
Salaries/Benefits														
Office Salaries	3.5%	3.5%		336,164	*39,282*	*308,647*	347,930	*40,657*	*319,450*	360,107	*42,080*	*330,631*	372,711	*43,553*
Manager's Salary	3.5%	3.5%		87,539	*5,436*	*85,167*	90,603	*5,626*	*88,148*	93,774	*5,823*	*91,233*	97,056	*6,027*
Health Insurance and Other Benefits	3.5%	3.5%		104,712	*6,503*	*101,874*	108,377	*6,730*	*105,440*	112,170	*6,966*	*109,130*	116,096	*7,210*
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				**528,415**	***51,221***	***495,688***	**546,909**	***53,014***	***513,037***	**566,051**	***54,869***	***530,993***	**585,863**	***56,790***
Administration														
Advertising and Marketing	3.5%	3.5%		1,335	*83*	*1,299*	1,382	*86*	*1,345*	1,431	*89*	*1,392*	1,481	*92*
Office Expenses	3.5%	3.5%		42,086	*2,614*	*40,946*	43,559	*2,705*	*42,379*	45,084	*2,800*	*43,862*	46,662	*2,898*
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		15,539	*965*	*15,118*	16,083	*999*	*15,647*	16,646	*1,034*	*16,195*	17,229	*1,070*
Audit Expense	3.5%	3.5%		30,108	*1,870*	*29,292*	31,161	*1,935*	*30,317*	32,252	*2,003*	*31,378*	33,381	*2,073*
Bookkeeping/Accounting Services	3.5%	3.5%		22,662	*1,407*	*22,048*	23,455	*1,457*	*22,819*	24,276	*1,508*	*23,618*	25,125	*1,560*
Bad Debts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%		29,137	*1,809*	*28,347*	30,156	*1,873*	*29,339*	31,212	*1,938*	*30,366*	32,304	*2,006*
Sub-total Administration Expenses				**140,867**	***8,748***	***137,049***	**145,797**	***9,054***	***141,846***	**150,900**	***9,371***	***146,811***	**156,182**	***9,699***
Utilities														
Electricity	3.5%	3.5%		64,748	*4,021*	*62,993*	67,014	*4,162*	*65,198*	69,359	*4,307*	*67,480*	71,787	*4,458*
Water	3.5%	3.5%		88,381	*5,488*	*85,986*	91,474	*5,681*	*88,995*	94,676	*5,879*	*92,110*	97,989	*6,085*
Gas	3.5%	3.5%		50,180	*3,116*	*48,820*	51,936	*3,225*	*50,528*	53,754	*3,338*	*52,297*	55,635	*3,455*
Sewer	3.5%	3.5%		67,985	*4,222*	*66,143*	70,365	*4,370*	*68,458*	72,827	*4,523*	*70,854*	75,376	*4,681*
Sub-total Utilities				**271,293**	***16,847***	***263,941***	**280,788**	***17,437***	***273,179***	**290,616**	***18,047***	***282,740***	**300,788**	***18,679***
Taxes and Licenses														
Real Estate Taxes	3.5%	3.5%		40,467	*2,513*	*39,371*	41,884	*2,601*	*40,749*	43,350	*2,692*	*42,175*	44,867	*2,786*
Payroll Taxes	3.5%	3.5%		55,112	*3,422*	*53,618*	57,041	*3,542*	*55,495*	59,037	*3,666*	*57,437*	61,103	*3,795*
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,457	*90*	*1,417*	1,508	*94*	*1,467*	1,561	*97*	*1,518*	1,615	*100*
Sub-total Taxes and Licenses				**97,036**	***6,026***	***94,406***	**100,432**	***6,237***	***97,710***	**103,947**	***6,455***	***101,130***	**107,585**	***6,681***
Insurance														
Property and Liability Insurance	3.5%	3.5%		63,129	*3,920*	*61,418*	65,339	*4,058*	*63,568*	67,625	*4,200*	*65,793*	69,992	*4,347*
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		46,845	*2,909*	*45,576*	48,485	*3,011*	*47,171*	50,182	*3,116*	*48,822*	51,938	*3,225*
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				**109,974**	***6,829***	***106,994***	**113,823**	***7,068***	***110,739***	**117,807**	***7,316***	***114,614***	**121,930**	***7,572***
Maintenance & Repair														
Payroll	3.5%	3.5%		80,935	*5,026*	*78,741*	83,767	*5,202*	*81,497*	86,699	*5,384*	*84,350*	89,734	*5,572*
Supplies	3.5%	3.5%		21,367	*1,327*	*20,788*	22,115	*1,373*	*21,515*	22,889	*1,421*	*22,268*	23,690	*1,471*
Contracts	3.5%	3.5%		166,726	*10,354*	*162,207*	172,561	*10,716*	*167,885*	178,601	*11,091*	*173,760*	184,852	*11,479*
Garbage and Trash Removal	3.5%	3.5%		54,388	*3,378*	*52,914*	56,292	*3,496*	*54,766*	58,262	*3,618*	*56,683*	60,301	*3,745*
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		29,177	*1,812*	*28,386*	30,198	*1,875*	*29,380*	31,255	*1,941*	*30,408*	32,349	*2,009*
Sub-total Maintenance & Repair Expenses				**352,592**	***21,896***	***343,037***	**364,933**	***22,662***	***355,043***	**377,706**	***23,456***	***367,470***	**390,925**	***24,276***
Supportive Services	3.5%	3.5%		462,927	*28,748*	*450,382*	479,130	*29,754*	*466,145*	495,899	*30,795*	*482,460*	513,256	*31,873*
Commercial Expenses				-			-			-			-	
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES				**2,126,074**	***150,436***	***2,050,051***	**2,200,487**	***155,701***	***2,121,803***	**2,277,504**	***161,151***	***2,196,066***	**2,357,217**	***166,791***
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent				15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*	*14,100*	15,000	*900*
Bond Monitoring Fee				4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*	*3,760*	4,000	*240*
Replacement Reserve Deposit				71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*	*67,116*	71,400	*4,284*
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***	***84,976***	**90,400**	***5,424***
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES				**2,216,474**	***155,860***	***2,135,027***	**2,290,887**	***161,125***	***2,206,779***	**2,367,904**	***166,575***	***2,281,042***	**2,447,617**	***172,215***
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**1,217,460**	***6,993***	***1,213,234***	**1,219,828**	***7,045***	***1,214,741***	**1,221,378**	***7,099***	***1,215,381***	**1,222,061**	***7,154***
DEBT SERVICE ("hard debt"/amortized loans)														
Hard Debt - First Lender			Enter comments re: annual increase, etc.	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-	*935,875*	935,875	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*	*37,258*	42,000	*4,742*
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service				-			-			-			-	
TOTAL HARD DEBT SERVICE				**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***	***973,133***	**977,875**	***4,742***
CASH FLOW (NOI minus DEBT SERVICE)				**239,585**	***2,251***	***240,101***	**241,953**	***2,303***	***241,608***	**243,503**	***2,357***	***242,247***	**244,186**	***2,412***
Commercial Only Cash Flow				**-**			**-**			**-**			**-**	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					-	-		-	-		-	-		-
AVAILABLE CASH FLOW				**239,585**	***2,251***	***240,101***	**241,953**	***2,303***	***241,608***	**243,503**	***2,357***	***242,247***	**244,186**	***2,412***
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***	***1.25***			***1.25***			***1.25***			***1.25***	
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy		-	-		-	-		-	-		-
Partnership Management Fee (see policy for limits)	2.0%	2.0%	per MOHCD policy	28,565	*1,748*	*27,389*	29,137	*1,783*	*27,936*	29,719	*1,819*	*28,495*	30,314	*1,855*
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	8,093	*503*	*7,874*	8,377	*520*	*8,150*	8,670	*538*	*8,435*	8,973	*557*
Other Payments					-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.		-	-		-	-		-	-		-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.		-	-		-	-		-	-		-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-		-	-		-	-		-
TOTAL PAYMENTS PRECEDING MOHCD				***36,659***	***2,251***	***35,263***	***37,513***	***2,303***	***36,086***	***38,389***	***2,357***	***36,930***	***39,287***	***2,412***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				**202,926**	0	204,838	**204,440**	(0)	205,522	**205,114**	-	205,317	**204,899**	0

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:	
Will Project Defer Developer Fee?	***Yes***	2034	
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:	
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033	

Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): -

		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned	990,000			
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due		*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	91,280	91,961	92,264	92,168
Proposed MOHCD Residual Receipts Amount to Loan Repayment				91,280	91,961	92,264	92,168
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due		*32.53%*	loans, and HCD residual receipt policy.	44,004	44,332	44,478	44,432
Lender 4 Residual Receipts Due		*0.00%*		-	-	-	-
Lender 5 Residual Receipts Due		*0.00%*		-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service				**44,004**	**44,332**	**44,478**	**44,432**
REMAINDER (Should be zero unless there are distributions below)				**67,642**	**68,147**	**68,371**	**68,300**
Owner Distributions/Incentive Management Fee				67,642	68,147	68,371	68,300
Other Distributions/Uses							
Final Balance (should be zero)				**-**	**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE							
Replacement Reserve Starting Balance				**999,600**	**1,071,000**	**1,142,400**	**1,213,800**
Replacement Reserve Deposits				**71,400**	**71,400**	**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)				**-**	**-**	**-**	**-**
Replacement Reserve Interest							
RR Running Balance				**1,071,000**	**1,142,400**	**1,213,800**	**1,285,200**
OPERATING RESERVE - RUNNING BALANCE							
Operating Reserve Starting Balance				**-**	**-**	**-**	**-**
Operating Reserve Deposits				**-**	**-**	**-**	**-**
Operating Reserve Withdrawals							
Operating Reserve Interest							
OR Running Balance				**-**	**-**	**-**	**-**
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							
Other Reserve 1 Starting Balance				**-**	**-**	**-**	**-**
Other Reserve 1 Deposits				**-**	**-**	**-**	**-**
Other Reserve 1 Withdrawals							
Other Reserve 1 Interest							
Other Required Reserve 1 Running Balance				**-**	**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE							
Other Reserve 2 Starting Balance				**-**	**-**	**-**	**-**
Other Reserve 2 Deposits				**-**	**-**	**-**	**-**
Other Reserve 2 Withdrawals							
Other Reserve 2 Interest							
Other Required Reserve 2 Running Balance				**-**	**-**	**-**	**-**

1150 Third Street

	Total # Units:	LOSP Units	Non-LOSP Units		Year 19 2038		Year 20 2039		
	119	7	112						
		6.00%	94.00%						
INCOME		**% annual inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents		2.5%	2.5%		2,092,794	2,118,996	*26,857*	2,145,114	2,171,971
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a		*1,659,777*	1,659,777	-	*1,689,670*	1,689,670
Residential - LOSP Tenant Assistance Payments		n/a	n/a			153,962	*159,222*		159,222
Commercial Space		n/a	2.5%			-			-
Residential Parking		2.5%	2.5%		-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%		-	-	-	-	-
Supportive Services Income		2.5%	2.5%		-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%		-	-	-	-	-
Laundry and Vending		2.5%	2.5%		*8,063*	8,578	*528*	*8,265*	8,793
Tenant Charges		2.5%	2.5%		-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%		-	-	-	-	-
Other Commercial Income		n/a	2.5%			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable	-		-	-	
Gross Potential Income					***3,760,635***	**3,941,314**	***186,606***	***3,843,048***	**4,029,655**
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	*(104,640)*	(106,379)	*(1,343)*	*(107,256)*	(109,038)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a		*(82,989)*	(82,989)	-	*(84,483)*	(84,483)
Vacancy Loss - Commercial		n/a	n/a			-			-
EFFECTIVE GROSS INCOME					***3,573,006***	**3,751,946**	***185,264***	***3,651,309***	**3,836,133**
OPERATING EXPENSES									
Management									
Management Fee		3.5%	3.5%	1st Year to be set according to HUD schedule.	*149,601*	159,150	*9,883*	*154,837*	164,720
Asset Management Fee		3.5%	3.5%	per MOHCD policy	*26,191*	27,862	*1,730*	*27,107*	28,838
Sub-total Management Expenses					***175,791***	**187,012**	***11,613***	***181,944***	**193,557**
Salaries/Benefits									
Office Salaries		3.5%	3.5%		*342,203*	385,756	*45,077*	*354,180*	399,257
Manager's Salary		3.5%	3.5%		*94,426*	100,453	*6,238*	*97,731*	103,969
Health Insurance and Other Benefits		3.5%	3.5%		*112,950*	120,159	*7,462*	*116,903*	124,365
Other Salaries/Benefits		3.5%	3.5%		-	-	-	-	-
Administrative Rent-Free Unit		3.5%	3.5%		-	-	-	-	-
Sub-total Salaries/Benefits					***549,578***	**606,368**	***58,777***	***568,813***	**627,591**
Administration									
Advertising and Marketing		3.5%	3.5%		*1,440*	1,532	*95*	*1,491*	1,586
Office Expenses		3.5%	3.5%		*45,397*	48,295	*2,999*	*46,986*	49,985
Office Rent		3.5%	3.5%		-	-	-	-	-
Legal Expense - Property		3.5%	3.5%		*16,762*	17,832	*1,107*	*17,349*	18,456
Audit Expense		3.5%	3.5%		*32,476*	34,549	*2,146*	*33,613*	35,759
Bookkeeping/Accounting Services		3.5%	3.5%		*24,445*	26,005	*1,615*	*25,300*	26,915
Bad Debts		3.5%	3.5%		-	-	-	-	-
Miscellaneous		3.5%	3.5%		*31,429*	33,435	*2,076*	*32,529*	34,605
Sub-total Administration Expenses					***151,949***	**161,648**	***10,038***	***157,267***	**167,306**
Utilities									
Electricity		3.5%	3.5%		*69,842*	74,300	*4,614*	*72,286*	76,900
Water		3.5%	3.5%		*95,334*	101,419	*6,298*	*98,670*	104,969
Gas		3.5%	3.5%		*54,127*	57,582	*3,576*	*56,022*	59,598
Sewer		3.5%	3.5%		*73,334*	78,015	*4,845*	*75,900*	80,745
Sub-total Utilities					***292,636***	**311,315**	***19,333***	***302,879***	**322,211**
Taxes and Licenses									
Real Estate Taxes		3.5%	3.5%		*43,651*	46,437	*2,884*	*45,179*	48,063
Payroll Taxes		3.5%	3.5%		*59,447*	63,242	*3,927*	*61,528*	65,455
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%		*1,571*	1,672	*104*	*1,626*	1,730
Sub-total Taxes and Licenses					***104,670***	**111,351**	***6,915***	***108,333***	**115,248**
Insurance									
Property and Liability Insurance		3.5%	3.5%		*68,096*	72,442	*4,499*	*70,479*	74,978
Fidelity Bond Insurance		3.5%	3.5%		-	-	-	-	-
Worker's Compensation		3.5%	3.5%		*50,530*	53,756	*3,338*	*52,299*	55,637
Director's & Officers' Liability Insurance		3.5%	3.5%		-	-	-	-	-
Sub-total Insurance					***118,626***	**126,198**	***7,837***	***122,778***	**130,615**
Maintenance & Repair									
Payroll		3.5%	3.5%		*87,302*	92,874	*5,768*	*90,358*	96,125
Supplies		3.5%	3.5%		*23,048*	24,519	*1,523*	*23,854*	25,377
Contracts		3.5%	3.5%		*179,842*	191,321	*11,881*	*186,137*	198,018
Garbage and Trash Removal		3.5%	3.5%		*58,667*	62,412	*3,876*	*60,720*	64,596
Security Payroll/Contract		3.5%	3.5%		-	-	-	-	-
HVAC Repairs and Maintenance		3.5%	3.5%		-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%		-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%		*31,472*	33,481	*2,079*	*32,574*	34,653
Sub-total Maintenance & Repair Expenses					***380,331***	**404,608**	***25,126***	***393,643***	**418,769**
Supportive Services		3.5%	3.5%		*499,346*	531,220	*32,989*	*516,824*	549,812
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES w/o RESERVES/GL BASE RENT/BOND FEES					***2,272,928***	**2,439,719**	***172,629***	***2,352,481***	**2,525,109**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent					*14,100*	15,000	*900*	*14,100*	15,000
Bond Monitoring Fee					*3,760*	4,000	*240*	*3,760*	4,000
Replacement Reserve Deposit					*67,116*	71,400	*4,284*	*67,116*	71,400
Operating Reserve Deposit					-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					***84,976***	**90,400**	***5,424***	***84,976***	**90,400**
TOTAL OPERATING EXPENSES w/ RESERVES/GL BASE RENT/BOND FEES					***2,357,904***	**2,530,119**	***178,053***	***2,437,457***	**2,615,509**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)									
NET OPERATING INCOME (INCOME minus OP EXPENSES)					***1,215,102***	**1,221,827**	***7,211***	***1,213,852***	**1,220,624**
DEBT SERVICE ("hard debt"/amortized loans)									
Hard Debt - First Lender				Enter comments re: annual increase, etc.	*935,875*	935,875	-	*935,875*	935,875
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	*37,258*	42,000	*4,742*	*37,258*	42,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-
Commercial Hard Debt Service						-			-
TOTAL HARD DEBT SERVICE					***973,133***	**977,875**	***4,742***	***973,133***	**977,875**
CASH FLOW (NOI minus DEBT SERVICE)					***241,969***	**243,952**	***2,469***	***240,719***	**242,749**
Commercial Only Cash Flow						-			-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					-		-	-	
AVAILABLE CASH FLOW					***241,969***	**243,952**	***2,469***	***240,719***	**242,749**
USES OF CASH FLOW BELOW (This row also shows DSCR.)				***DSCR:***		***1.25***			***1.25***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy	-		-	-	
Partnership Management Fee (see policy for limits)		2.0%	2.0%	per MOHCD policy	*29,065*	30,920	*1,892*	*29,646*	31,539
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	*8,730*	9,287	*577*	*9,036*	9,613
Other Payments					-		-	-	
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.	-		-	-	
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-		-	-	
TOTAL PAYMENTS PRECEDING MOHCD					***37,795***	***40,208***	***2,469***	***38,682***	***41,151***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					204,174	**203,745**	0	202,037	**201,598**

Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:
Will Project Defer Developer Fee?	***Yes***	2034
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*	2033

Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): | Cumulative Deferred Developer Fee Earned

MOHCD RESIDUAL RECEIPTS DEBT SERVICE	*Dist. Soft Debt Loans*			
MOHCD Residual Receipts Amount Due	*67.47%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	91,648	90,683
Proposed MOHCD Residual Receipts Amount to Loan Repayment			91,648	90,683
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		Proposed Total MOHCD Amt Due less Loan Repayment	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
HCD Residual Receipts Amount Due	*32.53%*	loans, and HCD residual receipt policy.	44,181	43,716
Lender 4 Residual Receipts Due	*0.00%*		-	-
Lender 5 Residual Receipts Due	*0.00%*		-	-
Total Non-MOHCD Residual Receipts Debt Service			**44,181**	**43,716**
REMAINDER (Should be zero unless there are distributions below)			**67,915**	**67,199**
Owner Distributions/Incentive Management Fee			67,915	67,199
Other Distributions/Uses				
Final Balance (should be zero)			-	-
REPLACEMENT RESERVE - RUNNING BALANCE				
Replacement Reserve Starting Balance			**1,285,200**	**1,356,600**
Replacement Reserve Deposits			**71,400**	**71,400**
Replacement Reserve Withdrawals (ideally tied to CNA)			**-**	**-**
Replacement Reserve Interest				
RR Running Balance			**1,356,600**	**1,428,000**
OPERATING RESERVE - RUNNING BALANCE				
Operating Reserve Starting Balance			-	-
Operating Reserve Deposits			-	-
Operating Reserve Withdrawals				
Operating Reserve Interest				
OR Running Balance			-	-
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE				
Other Reserve 1 Starting Balance			-	-
Other Reserve 1 Deposits			-	-
Other Reserve 1 Withdrawals				
Other Reserve 1 Interest				
Other Required Reserve 1 Running Balance			-	-
OTHER RESERVE 2 - RUNNING BALANCE				
Other Reserve 2 Starting Balance			-	-
Other Reserve 2 Deposits			-	-
Other Reserve 2 Withdrawals				
Other Reserve 2 Interest				
Other Required Reserve 2 Running Balance			-	-

Attachment L: Detailed Services Budget

Title	Minimum requirements	Total FTE:	3.3	Employing Organization	Location
List each staff position	List min. required staff preparation (education & experience, **include veteran or military training requirements**) Note: Doesn't take place of the job description or duty statement.	Indicate FTE staff positions for SH or TH units (half-time is 0.5 FTE)		This could be the LSP, Sponsor or a Project Partner	Type "On-Site" or "Off-Site"
HMIS Administrator	Responsible for internal compliance, data entry, data quality, report preparation	0.08		Lead Service Provider	On-Site
Case Manager	Responsible for program functioning in the general sense as well as for the safety	2.16		Lead Service Provider	On-Site
Case Manager	Determined by the VA- MSW level	1		Project Partner	On-Site
Resident Services Coordinator (serving Veterans exclusively)	See attached job description.	0.1		Sponsor	On-Site
Resident Services Coordinator (serving Veterans and Family units)	See attached job description.	1		Sponsor	On-Site

Section 1: Supportive Services Budget Table.

Note: If the cost of on-site Supportive Services Coordination is included as part of the project's Operating Budget (as documented in the UA) and the position will serve SH and TH units, this position and the dollars associated with this position (or that portion of the position that will serve the SH and TH units) must be included in this Supportive Services Budget Table. These funds should be categorized as " **Not Committed**" in the Status column of this table.

Income Source/Program Name			Amount	Type	Status
VASH			$150,000	In-kind	Not Committed
CoC			$38,365	In-kind	Not Committed
Project Operations			$285,988	Cash	Intend to Fund or Provide
Total Revenue:			**$474,353**		
Expense Item			**Amount**	**Type**	**Status**
Staff Salaries: **List by title of position. (This list must match the Staffing Chart above.)**					
HMIS Administrator	FTE:	0.08	$5,846	Cash	Intend to Fund or Provide
Case Mgr/Program Mgr, Peer Support, Community Organizer	FTE:	2.16	$141,914	Cash	Intend to Fund or Provide
Case Manager	FTE:	1.00	$150,000	In-kind	Not Committed
Resident Services Coordinator (serving Veterans exclusively)	FTE:	0.10	$7,500	Cash	Committed
Resident Services Coordinator (serving Veterans and Family u	FTE:	1.00	$67,500		
Fringe Benefits			$44,328	Cash	Intend to Fund or Provide
Total Staff Expenses			**$417,088**		
Tenant Transportation			$2,500	Cash	Intend to Fund or Provide
Equipment					
Supplies			$5,000	Cash	Intend to Fund or Provide
Travel			$3,000	Cash	Intend to Fund or Provide
Office Rent/Occupancy Costs (don't include rent/leasing costs for SH units)			$7,000	Cash	Intend to Fund or Provide
Training			$1,000	Cash	Intend to Fund or Provide
Consultants: List by Function					
Subcontractors/Partners (list by Entity & Service Type)					
Flexibel Spending-Direct Tenant Support			$4,000	Cash	Intend to Fund or Provide
Program Supplies (For Activities, classes, workshops)			$7,000	In-kind	Intend to Fund or Provide
Overhead /Administrative			$27,765	Cash	Intend to Fund or Provide
Total Expenses			**$474,353**		

Attachment 4



OCT 3 2016

PERSPECTIVE VIEW

1150 THIRD STREET · 100% SCHEMATIC DESIGN

LMS[A]

Swords to Plowshares

Chinatown Community Development Center

0.2

OCT 3 2016

PERSPECTIVE VIEW

1150 THIRD STREET · 100% SCHEMATIC DESIGN

LMS[A]

Swords to Plowshares

Chinatown Community Development Center

0.3

SFMUNI TRANSIT STOP

(E) MUNI TRACKS, TYP.
(E) MUNI STOP

THIRD ST

STREETLAMP
MUNI POLE
SECONDARY PUBLIC ENTRY
SECONDARY PUBLIC ENTRY
SECURITY
STREETLAMP
STREETLAMP
BIKE RACKS
ALTERNATE RESIDENT ENTRY
3 BR ENTRY
STREETLAMP
3 BR ENTRY
3 BR ENTRY
STREETLAMP
BENCH

LOT "A" STREET

MULTI-PURPOSE +18"
TEENS
COMP. LAB
KITCHEN
STOR.
STOR.
COMMUNITY RM +18"
PROP. MANG.
OFFICE COPY
W
M
MAIL
RECEPTION
LOBBY +18"
STREETLAMP
MAIN RESIDENT ENTRY
ADA PARKING
LOADING
BIKE RACKS
STREETLAMP
STREETLAMP
BIKE PARKING
PARKING

UNI ADA +18"
KIDS +18"
FAMILY LAUNDRY +18"
UNI ADA +18"
RESIDENT SERVICES +18"
STAFF BREAK +18"
STORAGE +18"
MECH. ROOM +18"
J.C. +18"
ELEV.
PORCH +18"
FAMILY 3BR 3BR-C +18"
PORCH +18"
FAMILY 3BR 3BR-C +18"
PORCH +18"
FAMILY 3BR 3BR-C +18"

LOWER COURTYARD
REFER TO LANDSCAPE DRAWING L.1 +18"

COUNS.
ELEV.
COUNSELING
COUNS.
STOR.
VETERANS LAUNDRY +18"
MAINTENANCE +18"
BIKE PARK. +0"
ELECT. / TELECOM +0"
TRFRMR. +0"
RECL. WATER +0"
PARKING +0"

TRASH +0"
DW/FIRE PUMP +0"
SW
VET 1BR 1BRJB +18"
VET 1BR 1BRJB +18"
GAS
SW
STORMWATER PLANTER (SW) AS NOTED

MISSION ROCK STREET

BLOCK 3 WEST

30′ 0 30′

OCT 3 2016

SITE PLAN

1150 THIRD STREET · 100% SCHEMATIC DESIGN

LMS[A]

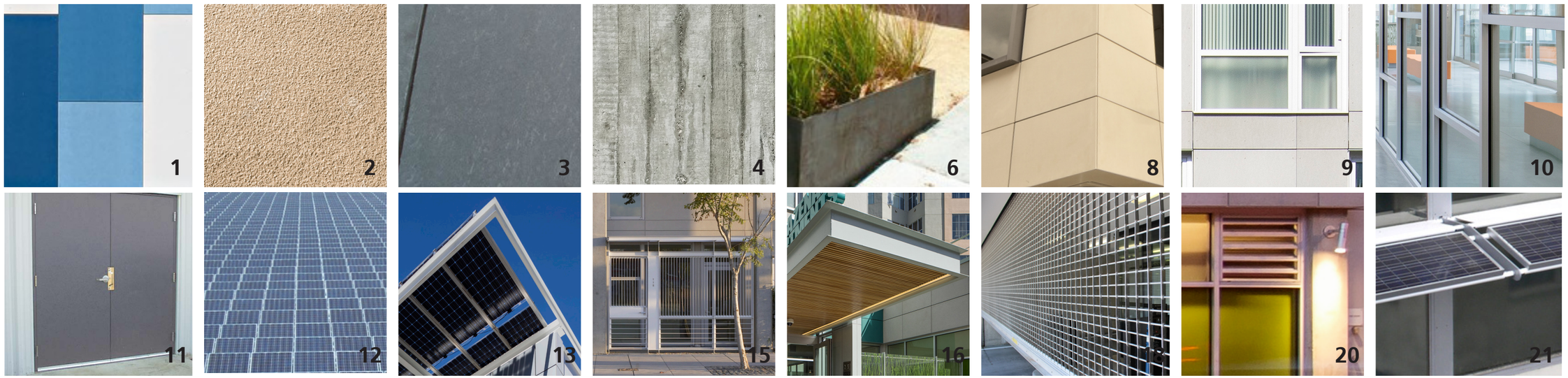
Swords to Plowshares

Chinatown Community Development Center

1.1



EAST ELEVATION - 3RD STREET



1. INTEGRAL COLOR FIBER CEMENT RAINSCREEN PANEL
2. PAINTED CEMENT PLASTER
3. PAINTED FIBER CEMENT PANEL
4. BOARD FORMED CONCRETE WALL
5. CONCRETE COLUMN
6. CORTEN STEEL STORMWATER PLANTER
7. CONCRETE RAMP
8. CERAMIC TILE
9. ALUMINUM WINDOW WITH LOW-E GLAZING
10. ALUMINUM STOREFRONT WITH LOW-E GLAZING
11. METAL DOOR
12. STEEL FRAMED SUNSHADE WITH P.V. INFILL
13. P.V. AND STEEL CANOPY STRUCTURE
14. SKYLIGHT
15. ORNAMENTAL METAL GATE
16. ENTRY CANOPY & STEEL STRUCTURE
17. FIBER CEMENT BLIND WALL PANEL
18. GARAGE DOOR / GRILLE
19. ELEVATOR PENTHOUSE
20. PAINTED METAL LOUVERS
21. STEEL FRAMED SUNSHADE
22. CONCRETE MASONRY BLOCK

20' 0' 20'

OCT 3 2016

BUILDING ELEVATIONS - EAST

1150 THIRD STREET · 100% SCHEMATIC DESIGN

LMS[A]

Swords to Plowshares

Chinatown Community Development Center

3.1





1. INTEGRAL COLOR FIBER CEMENT RAINSCREEN PANEL
2. PAINTED CEMENT PLASTER
3. PAINTED FIBER CEMENT PANEL
4. BOARD FORMED CONCRETE WALL
5. CONCRETE COLUMN
6. CORTEN STEEL STORMWATER PLANTER
7. CONCRETE RAMP
8. CERAMIC TILE
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16. ENTRY CANOPY & STEEL STRUCTURE
17. FIBER CEMENT BLIND WALL PANEL
18. GARAGE DOOR / GRILLE
19. ELEVATOR PENTHOUSE
20. PAINTED METAL LOUVERS
21. STEEL FRAMED SUNSHADE
22. CONCRETE MASONRY BLOCK

20' 0' 20'

OCT 3 2016

BUILDING ELEVATIONS - NORTH & SOUTH

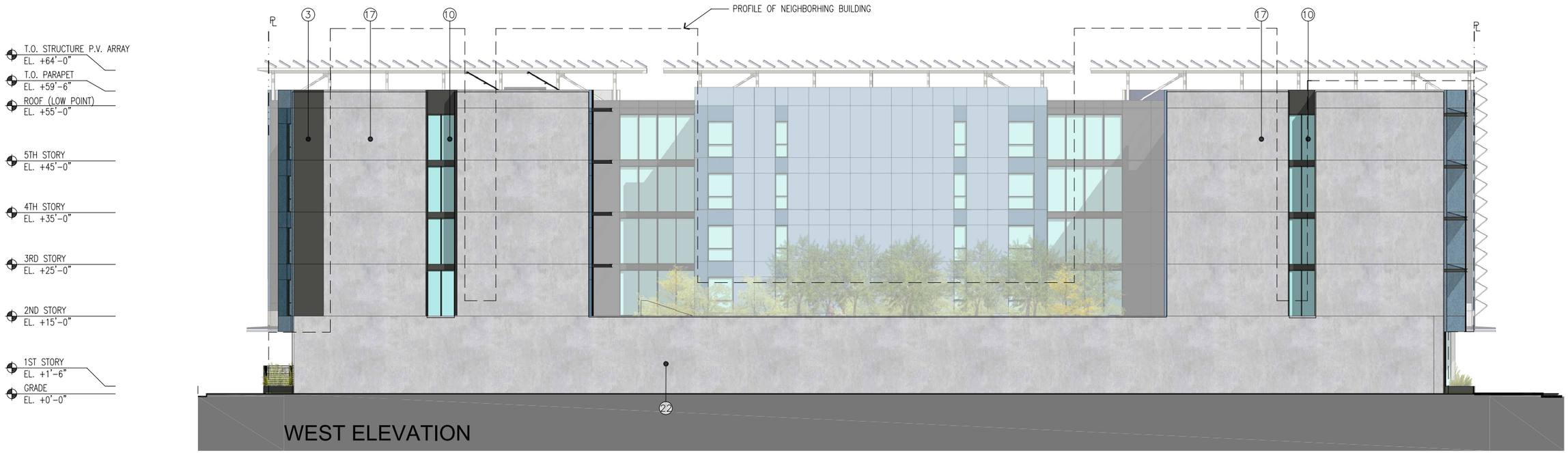
1150 THIRD STREET · 100% SCHEMATIC DESIGN

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Swords to Plowshares

Chinatown Community Development Center

3.2





1. INTEGRAL COLOR FIBER CEMENT RAINSCREEN PANEL
2. PAINTED CEMENT PLASTER
3. PAINTED FIBER CEMENT PANEL
4. BOARD FORMED CONCRETE WALL
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18. GARAGE DOOR / GRILLE
19. ELEVATOR PENTHOUSE
20. PAINTED METAL LOUVERS
21. STEEL FRAMED SUNSHADE
22. CONCRETE MASONRY BLOCK

20' 0' 20'

OCT 3 2016

WEST ELEVATION & LONGITUDINAL SECTION

1150 THIRD STREET · 100% SCHEMATIC DESIGN

LMS[A]

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Chinatown Community Development Center

3.3



SECTION B-B / NORTH COURTYARD ELEVATION



SECTION C-C / SOUTH COURTYARD ELEVATION

1. INTEGRAL COLOR FIBER CEMENT RAINSCREEN PANEL
2. PAINTED CEMENT PLASTER
3. PAINTED FIBER CEMENT PANEL
4. BOARD FORMED CONCRETE WALL
5. CONCRETE COLUMN
6. CORTEN STEEL STORMWATER PLANTER
7. CONCRETE RAMP
8. CERAMIC TILE
9. ALUMINUM WINDOW WITH LOW-E GLAZING
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17. FIBER CEMENT BLIND WALL PANEL
18. GARAGE DOOR / GRILLE
19. ELEVATOR PENTHOUSE
20. PAINTED METAL LOUVERS
21. STEEL FRAMED SUNSHADE
22. CONCRETE MASONRY BLOCK

20' 0' 20'

OCT 3 2016

COURTYARD SECTIONS

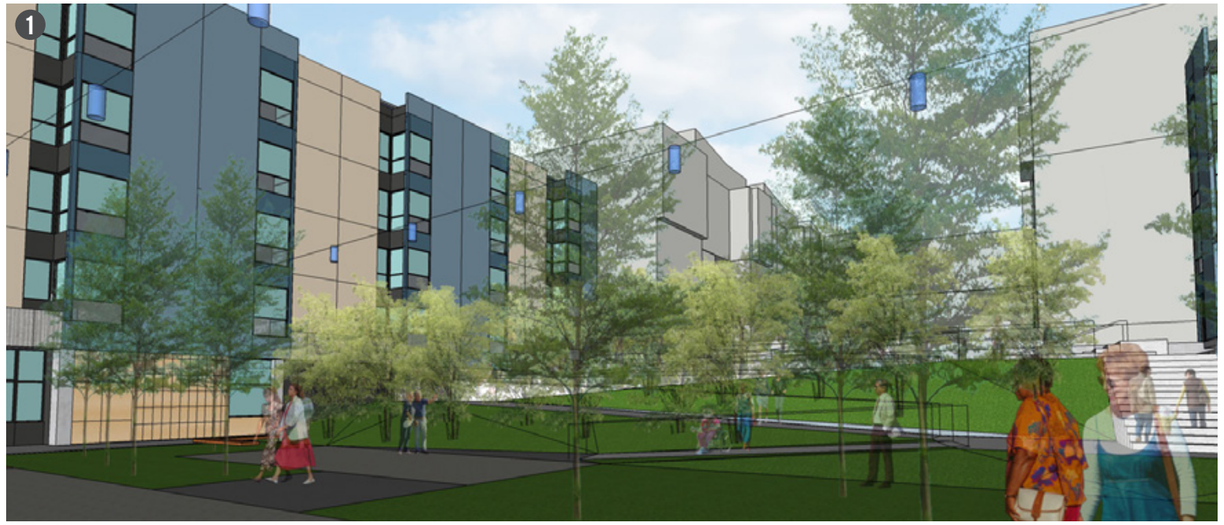
1150 THIRD STREET · 100% SCHEMATIC DESIGN

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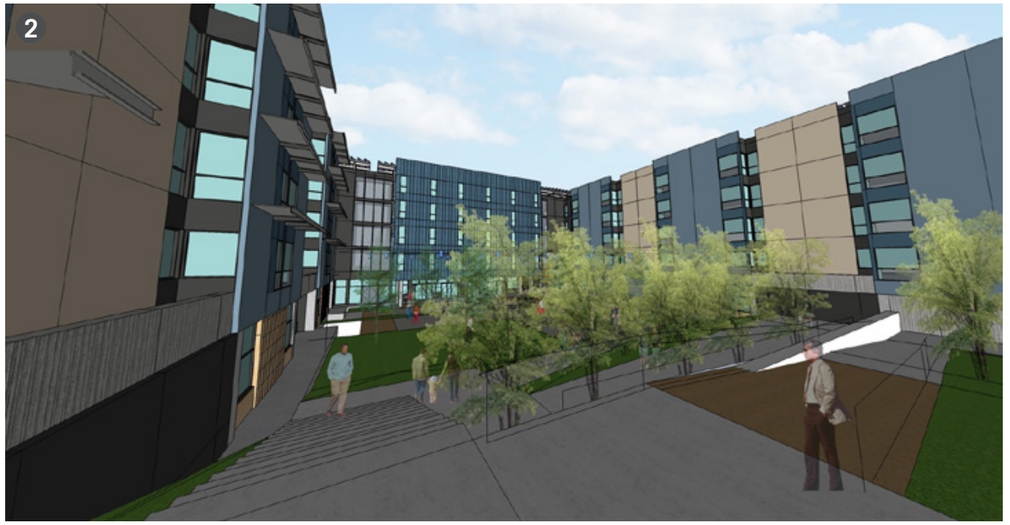
Swords to Plowshares

Chinatown Community Development Center

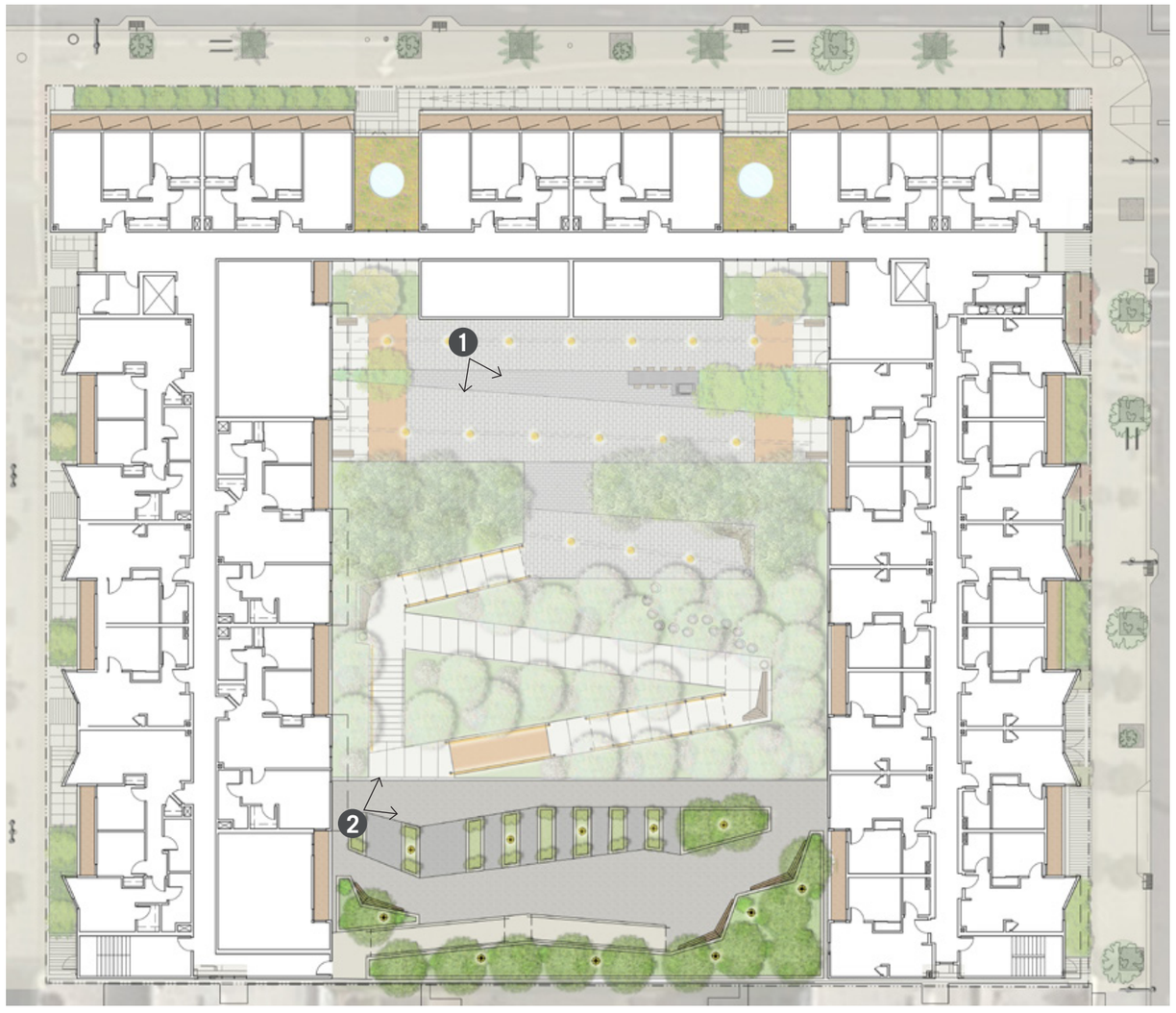
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VIEW 1 - ENTERING COURTYARD FROM MAIN BUILDING ENTRANCE



VIEW 2 - DESCENDING STAIRS INTO SECOND LEVEL COURTYARD TERRACE



PLANT PALETTE BY TYPE

REPLACEMENT STREET TREES (IF NEEDED)

- WASHINGTONIA FILIFERA – California Fan Palm
- ARBUTUS 'MARINA' – Strawberry Tree
- PITTOSPORUM UNDULATUM – Victorian Box

FLOW-THROUGH PLANTERS

- MAGNOLIA SOULANGIANA – Saucer Magnolia
- CHONDROPETALUM ELEPHANTINUM – Cape Rush
- DIANELLA CAERULEA VARIEGATA – Flax Lily
- OPHIOPHOGON JAPONICA – Mondo Grass

AT-GRADE PLANTERS

- JUNIPERUS 'TORULOSA' – Hollywood Juniper
- GARRYA ELIPTICA 'James Roof' – Silk Tassel Bush
- ALOE ARBORESCENS – Torch Aloe
- AGAPANTHUS INAPERTUS 'Storm Cloud' – Agapanthus
- DYMONDIA MARGARETAE – Silver Carpet

COURTYARD PLANTINGS

- OLEA EUROPAEA – Fruitless Olive Tree
- GINKGO BILOBA – Maidenhair Tree
- MYRICA CALIFORNICA – Pacific Wax Myrtle
- HETEROMELES ARBUTIFOLIA – Toyon
- DIANELLA CAERULEA 'Casitas Springs' – Paroo Lily
- ARCTOSTAPHYLOS 'PACIFIC MIST' - Manzanita

RAISED PODIUM PLANTERS

- TRISTANIA LAURINA 'Elegans' – Water Gum
- AGAVE ATTENUATA – Foxtail Agave
- ROSEMARINUS OFFICINALIS 'IRENE' – Trailing Rosemary

RAISED PODIUM FLOW-THROUGH PLANTERS

- TRISTANIA LAURINA 'Elegans' – Water Gum
- CHONDROPETALUM ELEPHANTINUM – Cape Rush
- DIANELLA CAERULEA VARIEGATA – Flax Lily
- OPHIOPHOGON JAPONICA – Mondo Grass

GREEN ROOFS

- SEDUM HISPANICUM 'Purple Form'
- SEDUM TETRACTINUM 'Coral Reef'
- SEDUM SPATHULIFOLIUM 'Cape Blanco'
- YUCCA FILAMENTOSA – Adam's Needle

OCT 3 2016

RENDERED PERSPECTIVES

1150 THIRD STREET · 100% SCHEMATIC DESIGN

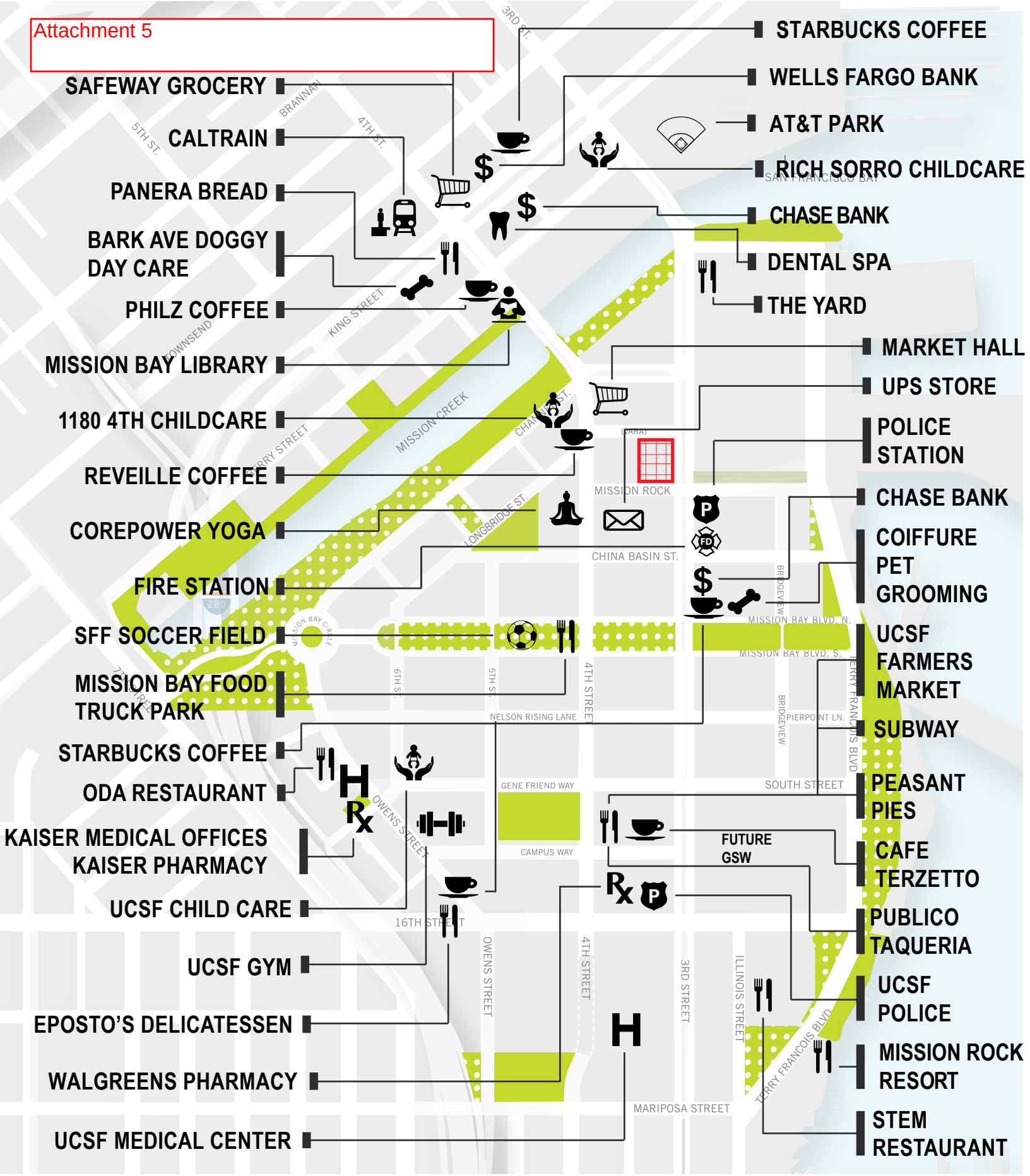
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Chinatown Community Development Center

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Attachment 5



MISSION BAY BLOCK 3E AMENITIES

SEPTEMBER 2017

0 100 200 400 800

OCII
office of COMMUNITY INVESTMENT and INFRASTRUCTURE

Attachment 5



Completed Open Space
Future Open Space
Bay Area Bike Share Station
Bicycle Lane (striped or marked)
Bicycle Route (shared travel lane)

TMA Shuttle Caltrain Route
TMA Shuttle Transbay Route
TMA Shuttle Loop Route
TMA Shuttle East Route
TMA Shuttle West Route

Project Location
Muni T-Line
Muni 55-Line

MISSION BAY BLOCK 3E TRANSIT

SEPTEMBER 2017

0 100 200 400 800

OCII
office of COMMUNITY INVESTMENT and INFRASTRUCTURE

MB 3E Professional Services Consultant Summary as of 10/5/2017

						For Information Purposes Only			
Discipline	**Consultant Names**	**Fee**	**SBE Goal Credit ***	**SBE Participation**	**SBE-SF**	**MBE**	**Ethnicity**	**WBE**	**MBE/WBE**
Architect	LMS Architects	$ 1,404,523							
Associated Architect	Saida Sullivan	$ 316,430	$ 316,430	$ 316,430	$ 316,430			$ 316,430	
Structural Engineer	KPFF/Rivera	$ 271,000	$ 271,000	$ 94,850	$ 94,850	$ 94,850	Latino		
MP/FP Engineer	Tommy Sui	$ 117,680	$ 117,680	$ 117,680	$ 117,680	$ 117,680	Chinese		
Electrical/ Low Volt Engineer	EdesignC	$ 159,528	$ 159,528	$ 159,528	$ 159,528		Minority Unknown	$ 159,528	$ 159,528
Civil Engineering	Luk and Assoc.	$ 53,000	$ 53,000	$ 53,000		$ 53,000	Chinese		
Landscape Architecture + Irrigation	GLS	$ 103,500	$ 103,500	$ 103,500	$ 103,500				
Lighting Design Consultant	Architecture Lighting Design (ALD)	$ 51,000	$ 51,000	$ 51,000	$ 51,000				
Acoustical Consulting	Papadimos	$ 30,400	$ 30,400	$ 30,400	$ 30,400				
Greenpoints Administrator	Association for Energy Affordability (AEA)	$ 28,735							
Waterproofing/Roofing Consultant	Gale Associates	$ 26,960							
Owner's Representative/ CM	Gonzalo Castro	$ 104,000	$ 104,000	$ 104,000	$ 104,000	$ 104,000	Latino		
Surveyor	Luk and Assoc.	$ 7,500	$ 7,500	$ 7,500		$ 7,500	Chinese		
Geotechnical Engineering	Langan/ Divis	$ 156,000	$ 156,000	$ 54,600	$ 54,600				
Market Study	Newport Realty Advisors	$ 7,500							
Financial/Syndication consultants	CHPC	$ 55,000							
NEPA PhaseI ESA Study - now includ	ESA	$ 82,387							
Environmental Consultant	Langan/ Albion	$ 130,600	$ 130,600	$ 45,710	$ 45,710				
Building Maintenance/ OSHA	Access Systems and Solutions/SITCO	$ 20,000	$ 20,000	$ 20,000	$ 20,000				
Professional Fees subtotal		**$ 3,125,743**	**$ 1,520,638**	**$ 1,158,198**	**$1,097,698**	**$ 377,030**		**$ 475,958**	**$ 159,528**
Percent of Total Fees			**48.65%**	**37.05%**	**35.12%**	**12.06%**		**15.23%**	**5.10%**
Financial/Syndication Consultant	California Housing Partnership Corporation	$ 55,000							
Appraisal	Hamilton Ricci	$ 4,500							
subtotal		$ 59,500	$ -	$ -	$ -	$ -		$ -	$ -
Percent of Total Fees			**0.00%**	**0.00%**	**0.00%**	$ -		$ -	**0.00%**
TOTALS		**$ 3,185,243**	**$ 1,520,638**	**$ 1,158,198**	**$1,097,698**	**$ 377,030**		**$ 475,958**	**$ 159,528**
Percent of Total Fees			**47.74%**	**36.36%**	**34.46%**	**11.84%**		**14.94%**	**5.01%**

Attachment 7: SBE Consultant Biographies

The following provides brief biographies for SBE consultants holding the five largest professional services contracts. Please see Attachment 6 for dollar value of contracts.

GLS Landscape | Architecture
GLS was established in San Francisco in 1993, specializing in the integration of landscape with architecture, urban design and infrastructure. With 12 employees, located in the heart of the Mission District, GLS holds a certificate with the City as an SBE. Past projects with OCII include Hunters View Redevelopment Phases 1 and 2, Broadway-Sansome Affordable Housing, Renee Cazenave Apartments at Transbay Block 11A, Transbay Block 9, Mission Bay Block 7, and 1110-1190 4th Street (in Mission Bay).

The Rivera Consulting Group (with KPFF)
The Rivera Consulting Group, Inc. (RCG) was formed in San Francisco in 1998 as a structural engineering design firm. RCG holds a business license from the City and County of San Francisco, CA (Certificate No. 324447), is a certified LBE/DBE with the City of San Francisco (Certification No. HRC120614544) and is a certified Small Business Enterprise, State of California. Past projects include residential communities at Hunters View Blocks 7, 10 & 11 and Mission Bay Blocks 5 & 11.

Tommy Sui & Associates
Tommy Siu and Associates, a mechanical engineering consulting firm, has been in business since 1989 and holds a Minority-Owned Local Business Enterprise (LBE) certificate issued by San Francisco City Administrator Office, Contract Monitoring Division. Projects include mixed- use and multi-family residential complex. Recent projects include Mission Bay Block 7 West, Alice Griffith Blocks 2 and 4, and 121 Golden Gate.

Saida + Sullivan Design Partners Inc.
Saida + Sullivan Design Partners Inc. (SSDP) was incorporated in San Francisco in 1999 as a full service architecture and interior design firm. SSDP is woman-owned and holds a Local Business Enterprise (LBE) certification from the San Francisco Human Rights Commission. SSDP's past projects include affordable residential communities at Transbay Block 6/7, Mission Bay Block 11, and 474 Natoma.

EdesignC Inc.
Incorporated in San Francisco in 2008, EdesignC Inc. is a minority-woman owned electrical engineering firm that specializes in energy and building system designs. Collectively, the firms team members bring over 50 years of architectural and engineering experience. With a focus on sustainability, EdesignC Inc. prides itself on balancing project priorities with efficiency and environmental concerns. The firm is also committed to community involvement and actively supports non-profits including Girls Inc. and Abilities United.