

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 08-2026

AUTHORIZING AN INFRASTRUCTURE DEVELOPMENT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$1,000,000 IN PREDEVELOPMENT FUNDS WITH TRANSBAY 4 TEHAMA LLC (AN AFFILIATE OF TRANSBAY BLOCK 4 WEST, LP), A CALIFORNIA LIMITED LIABILITY COMPANY, TO DESIGN AND ENGINEER THE EAST TEHAMA STREET EXTENSION ADJACENT TO TRANSBAY BLOCK 4; AND PROVIDING NOTICE THAT THIS ACTION IS WITHIN THE SCOPE OF THE TRANSBAY TERMINAL/CALTRAIN DOWNTOWN EXTENSION/REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED THEREIN FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA

WHEREAS, 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 (the “Former Agency”) undertook programs for the redevelopment of blighted areas in the City and County of San Francisco (the “City”), including the Transbay Redevelopment Project Area (the “Project Area”); and,

WHEREAS, In accordance with CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Project Area by Ordinance No. 124-05 (June 21, 2005) and by Ordinance No. 99-06 (May 9, 2006), as amended by Ordinance Nos. 84-15 (June 16, 2015), 62-16 (April 26, 2016), and 009-23 (January 24, 2023), and as may be amended from time to time (“Redevelopment Plan”); and,

WHEREAS, The Redevelopment Plan divides the Project Area into two subareas: Zone One in which the land use controls of the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (2005) (and as currently amended, “Development Controls”) are applicable and are to be administered by the Successor Agency to the Former Redevelopment Agency of the City and County of San Francisco (“Successor Agency”), commonly known as the Office of Community Investment and Infrastructure (“OCII”), and Zone Two in which the San Francisco Planning Code applies and is administered by the San Francisco Planning Department; and,

WHEREAS, In 2003, the Transbay Joint Powers Authority (“TJPA”), the City, and the State of California (“State”), entered into a Cooperative Agreement setting forth the process for the transfer of certain State-owned parcels in the Project Area to the City and the TJPA. In 2005, the TJPA and the Former Agency entered into the Transbay Redevelopment Project Implementation Agreement (“Implementation Agreement”) which requires the Former Agency to prepare and sell these formerly

state-owned parcels or retain them to implement the Redevelopment Plan, including, among other things, the construction and funding of new infrastructure improvements, including new streets. In 2008, the Former Agency entered into an option agreement with the City and TJPA, which provided, among other things, the Former Agency with the option to acquire portions of Transbay Blocks 3 and 4 (the “Option Agreement”); and,

WHEREAS, In 2003, the Transbay Joint Powers Authority (“TJPA”), the City, and the State of California (“State”), entered into a Cooperative Agreement setting forth the process for the transfer of certain State-owned parcels in the Project Area to the City and the TJPA. Also in 2003, the California Legislature enacted Assembly Bill No. 812 (States 2003, chapter 99), codified at Cal. Public Resources Code § 5027.1, which requires that thirty-five percent (35%) of new housing developed in the Project Area shall be affordable to low- and moderate-income households (the “Transbay Affordable Housing Obligation”). In 2005, the TJPA and the Former Agency entered into the Transbay Redevelopment Project Implementation Agreement (“Implementation Agreement”) which incorporates the Transbay Affordable Housing Obligation and requires Successor Agency to prepare and sell certain formerly State-owned parcels and to construct and fund new infrastructure improvements and to meet affordable housing obligations; and,

WHEREAS, The Redevelopment Plan and the Transbay Redevelopment Project Area Design For Development (“Design for Development”), also published in 2003, identify a new extension of Tehama Street between Transbay Blocks 3 (future park site) and 4 (mixed-use housing development site) to improve pedestrian and vehicular flow through the neighborhood; and,

WHEREAS, In 2006, the Former Agency and the San Francisco Planning Department (“Planning Department”), in collaboration with other City agencies and the TJPA, commissioned the production of the 2006 Transbay Streetscape and Open Space Concept Plan (the “Streetscape and Open Space Plan”). On November 21, 2006, the Former Agency Commission approved, by Resolution No. 153-06, the Streetscape and Open Space Plan. The Streetscape and Open Space Plan includes design elements related to the ten major streets and six public alleyways within the Project Area, as well as neighborhood parks and areas below bus and freeway ramps. Furthermore, the Streetscape Plan includes recommended landscaping, sidewalk paving, tree types, street furniture, and lighting for each street. It also delineates the purpose of each public right-of-way and links the Transbay neighborhood to the adjacent Rincon Hill neighborhood; and,

WHEREAS, On February 1, 2012, the State of California dissolved all redevelopment agencies, including the Former Agency, by operation of law pursuant to California Health and Safety Code Sections 34170 et seq. (“Redevelopment Dissolution Law”). Under the authority of the Redevelopment Dissolution Law and under San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to it state authority under the

Redevelopment Dissolution Law), the Successor Agency to the Former Agency (commonly known as the Office of Community Investment and Infrastructure or “OCII”) is administering the enforceable obligations of the Former Agency; and,

WHEREAS, Redevelopment Dissolution Law 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). On April 15, 2013, the California Department of Finance (“DOF”) finally and conclusively determined that the Implementation Agreement and its incorporation of the Transbay Affordable Housing Obligation are continuing enforceable obligations of OCII under Redevelopment Dissolution Law. The Implementation Agreement requires OCII to, among other things, “execute all activities related to the implementation of the Redevelopment Plan, including but not limited to, activities related to major infrastructure improvements.” (Section 2.1 (d) of the Implementation Agreement at p. 4); and,

WHEREAS, In accordance with the Streetscape and Open Space Plan and the Implementation Agreement, OCII is responsible for developing the public open spaces comprised of those State-owned parcels not planned for private development under the Redevelopment Plan. The East Tehama parcel (Lot 2 of Final Transfer Map 10327 [“Transfer Map”], APN: 3737-011) is an 11,000 square foot parcel located between Transbay Blocks 3 and 4, bounded by Howard, Beale, East Clementina, and Main Streets , has been conveyed to OCII pursuant to the Cooperative Agreement, the Implementation Agreement, and the Option Agreement (the “East Tehama Street”),

WHEREAS, On May 8, 2025, OCII issued a Request for Proposals (the “RFP”) to develop, own, and operate mixed-use affordable rental housing units, including units set aside for households experiencing homelessness at Transbay Block 4 West, on a portion of the parcel identified as Lot 1 on the Transfer Map (the “Block 4 Site”). In addition, the RFP asked respondents to develop and construct East Tehama Street adjacent to Block 4, extending from Main Street to Beale Street (the “Project”), to be transferred to the City for long-term ownership and operation; and,

WHEREAS, On October 21, 2025, OCII staff provided the Commission with an informational memorandum on the RFP evaluation panel’s recommendation of the development team consisting of Mercy Housing California (“Mercy”) and Young Community Developers (“YCD”) as the Transbay Block 4 West project development team; and,

WHEREAS, Mercy and YCD have formed a single-purpose entity, Transbay 4 Tehama LLC, a California limited liability company (“Developer”), to undertake initial predevelopment activities for the Project; and,

- WHEREAS, OCII has determined that, to ensure pedestrian and emergency vehicle access in time for initial occupancy of the Block 4 West affordable housing development, the design and construction of East Tehama Street and related infrastructure (the “Tehama Improvements”), should be completed by the Developer, or an affiliate, or a special-purpose entity formed by the Developer for this purpose, subject to OCII approval; and,
- WHEREAS, On January 26, 2026, the Oversight Board of the City and County of San Francisco approved, by Resolution No. 03-2026, an expenditure for the Project in Item No. 431 of the Recognized Obligation Payment Schedule for the period of July 1, 2026, through June 30, 2027 (“ROPS 26-27”); and,
- WHEREAS, The Developer desires to enter into and execute an infrastructure development agreement (the “Tehama Infrastructure Agreement”), a copy of which, in substantially final form, is attached to the Commission memorandum accompanying this Resolution. The Tehama Infrastructure Agreement will provide funding in an amount not to exceed \$1,000,000 for predevelopment work associated with the development of the Project; and,
- WHEREAS, OCII’s remaining discretionary approvals for the Project include approval of design documents and permanent financing to construct East Tehama Street with the Developer; and,
- WHEREAS, Under Redevelopment Dissolution Law, OCII is required to dispose of its real property assets. OCII, with assistance by the Developer, an affiliate, or a special-purpose entity formed by the Developer, will transfer the completed East Tehama Street to the City for use as a public vehicular and pedestrian right-of-way; and,
- WHEREAS, OCII staff recommends approval of the Tehama Infrastructure Agreement; and,
- WHEREAS, On April 20, 2004, the Commission of the Former Redevelopment Agency of the City and County of San Francisco (“Former Agency Commission”) adopted Resolution No. 45-2004, certifying the Final Environmental Impact Statement / Environmental Impact Report (the “FEIS/EIR”) for the Transbay Terminal / Caltrain Downtown Extension / Redevelopment Project, which included the Redevelopment Plan. On January 25, 2005, the Former Agency Commission adopted Resolution No. 11-2005, adopting findings under the California Environmental Quality Act (“CEQA”), a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors and the City Planning Commission adopted similar findings; and,
- WHEREAS, A total of ten addenda to the FEIS/EIR were prepared between June 2, 2006, and October 26, 2022; and,

WHEREAS, The FEIS/EIR is a program environmental impact report (“EIR”) under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. The FEIS/EIR is also a project EIR under CEQA Guidelines Section 15161 for certain structures and facilities. The FEIS/EIR analyzed the development of public open space uses, including new streets, on and adjacent to Transbay Block 3, in accordance with the Redevelopment Plan and the Design for Development for the Transbay Redevelopment Project. The FEIS/EIR contemplated the Former Redevelopment Agency’s disposition of the publicly-owned Transbay Blocks 2, 3, and 4 for the development of private and public uses, including residential and retail uses on Blocks 2 and 4, the extensions of Clementina and Tehama Streets, and a public open space on Block 3; and,

WHEREAS, OCII staff has reviewed the Tehama Infrastructure Agreement and finds that authorizing its approval to enable the development of the East Tehama Street extension is an Implementing Action within the scope of the project analyzed in the FEIS/EIR and subsequent addenda and that therefore no additional environmental review is required pursuant to California Public Resources Code Section 21166 and Sections 15162, 15163, 15168, and 15180 of the CEQA Guidelines; and,

WHEREAS, OCII staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FEIS/EIR and addenda, has made documents related to the Implementing Action, the FEIS/EIR, and addenda available for review by the Commission and the public, and these files are part of the record before the Commission; and,

WHEREAS, The FEIS/EIR findings and statement of overriding considerations adopted in accordance with CEQA by the Former Agency Commission by Resolution No. 11- 2005 dated January 25, 2005, were and remain adequate, accurate, and objective and are incorporated herein by reference as applicable to the Implementing Action; now therefore, be it

RESOLVED, The Commission finds and determines that approving the Tehama Infrastructure Agreement is an Implementing Action within the scope of the project analyzed in the FEIS/EIR and addenda and require no additional environmental review pursuant to California Public Resources Code Section 21166 and State CEQA Guidelines Sections 15180, 15168, 15162 and 15163 for the following reasons:

1. The Implementing Action is within the scope of the project analyzed in the FEIS/EIR and addenda and no major revisions are required due to the involvement of new significant environmental effects or a substantial increase in the severity of significant effects previously identified in the FEIS/EIR; and,

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

RESOLVED, The Commission hereby approves and authorizes the Executive Director to enter into the Tehama Infrastructure Agreement (in substantially the form attached to this resolution as Attachment 1 between OCII and the Developer, or an affiliate, or a special-purpose entity formed by the Developer, for an aggregate amount not-to-exceed \$1,000,000.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of April 7, 2026.

Commission Secretary

Attachment 1: Tehama Infrastructure Agreement

INFRASTRUCTURE DEVELOPMENT AGREEMENT

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 the State of California

and

Transbay 4 Tehama LLC, a California Limited Liability Company
for

East Tehama Street Segment
\$1,000,000

Dated as of July 1, 2026

TABLE OF CONTENTS

ARTICLE 1	DEFINITIONS.....	4
ARTICLE 2	ENGAGEMENT AND FUNDING.....	9
ARTICLE 3	INTENTIONALLY OMITTED.....	11
ARTICLE 4	DISBURSEMENTS.....	11
ARTICLE 5	INTENTIONALLY OMITTED.....	12
ARTICLE 6	INTENTIONALLY OMITTED.....	12
ARTICLE 7	INTENTIONALLY OMITTED.....	13
ARTICLE 8	INTENTIONALLY OMITTED.....	13
ARTICLE 9	GOVERNMENTAL REQUIREMENTS.....	13
ARTICLE 10	PREDEVELOPMENT WORK MONITORING, REPORTS, BOOKS AND RECORDS.....	13
ARTICLE 11	INTENTIONALLY OMITTED.....	14
ARTICLE 12	INTENTIONALLY OMITTED.....	14
ARTICLE 13	INTENTIONALLY OMITTED.....	14
ARTICLE 14	INTENTIONALLY OMITTED.....	14
ARTICLE 15	NO PREDEVELOPMENT WORK FEES.....	14
ARTICLE 16	INTENTIONALLY OMITTED.....	15
ARTICLE 17	INSURANCE AND BONDS.....	15
ARTICLE 18	GOVERNMENTAL APPROVALS.....	15
ARTICLE 19	DEFAULT.....	15
ARTICLE 20	REPRESENTATIONS AND WARRANTIES.....	17
ARTICLE 21	NOTICES.....	17
ARTICLE 22	HAZARDOUS SUBSTANCES.....	18
ARTICLE 23	INDEMNITY.....	19
ARTICLE 24	GENERAL PROVISIONS.....	20

EXHIBITS

- A Table of Sources and Uses of Funds
- B Agreement Compliance Policies
- C Insurance Requirements
- D Lobbying/Debarment Certification Form
- E Schedule of Performance
- F Description of the Site
- G Assignment of Work Product
- H Consent to Assignment of Work Product
- I Developer Fee Schedule

Infrastructure Development Agreement
(APN 3739-011/East Tehama Street)

This INFRASTRUCTURE DEVELOPMENT AGREEMENT (referred to herein as "**Agreement**" or "**Infrastructure Development Agreement**") by and between 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 (also known as the Office of Community Investment and Infrastructure ("**OCH**")), and Transbay 4 Tehama LLC, a California limited liability company (the "**Site Developer**") is entered into as of the date of last signature in the signature block below and will become effective as of July 1, 2026 ("**Effective Date**").

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 (the "**Former Agency**") undertook a program to redevelop and revitalize blighted areas in San Francisco and in connection therewith adopted the development project area known as the Transbay Redevelopment Project Area (the "**Project Area**");

B. In accordance with the CRL, the Board of Supervisors ("**Board of Supervisors**") of the City and County of San Francisco ("**City**") approved a Redevelopment Plan for the Project Area by Ordinance No. 124-05, adopted on June 21, 2005, and by Ordinance No. 99-06, adopted on May 9, 2006 (and as currently amended, the "**Transbay Redevelopment Plan**"). The Transbay Redevelopment Plan requires that at least 35% of all new housing in the Project Area be permanently affordable.

C. In 2003, the Transbay Joint Powers Authority ("**TJPA**"), the City, and the State of California, acting by and through its Department of Transportation ("**Caltrans**"), entered into a Cooperative Agreement, which set forth the process for the transfer of certain state-owned parcels to the City and the TJPA. In 2005, the TJPA and the Former Agency entered into an agreement which required the Former Agency to prepare and sell the formerly State-Owned Parcels and to implement the Transbay Redevelopment Plan, including, among other things, the funding and construction of new infrastructure improvements and the construction of affordable housing ("**Implementation Agreement**").

D. In 2006, in furtherance of the Transbay Redevelopment Plan and the Transbay Redevelopment Project Area Design for Development, the Former Agency and the San Francisco Planning Department, in collaboration with other City agencies and the TJPA, commissioned production of the 2006 Transbay Streetscape and Open Space Concept Plan ("**Streetscape and Open Space Plan**"). On November 21, 2006, the Former Agency Commission approved, by Resolution No. 153-06, the Streetscape and Open Space Plan. The Streetscape and Open Space Plan includes design guidelines related to the ten major streets and six public alleyways within the Project Area, as well as neighborhood parks and areas below bus and freeway ramps. The Streetscape and Open Space Plan envisioned a new park on the Block 3 parcel, new segments of

Clementina and Tehama Streets bordering Block 3, pedestrian improvements, and other streetscape improvements to enhance and complete the vision for the Project Area.

E. Pursuant to California Health and Safety Code §§ 34170 et seq. (the "**Redevelopment Dissolution Law**") and San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (as more particularly defined below, the "**Commission**") and delegating to it state authority under the Redevelopment Dissolution Law), OCII is responsible for administering the enforceable obligations of the Former Agency. The Implementation Agreement, Transbay Redevelopment Plan, and other related Project Area documents remain in effect, and OCII retains all affordable housing obligations in the Project Area.

F. Redevelopment Dissolution Law authorizes successor agencies to enter into new agreements if they are "in compliance with a continuing enforceable obligation that existed prior to June 28, 2011." Cal. Health & Safety Code § 34177.5(a). On April 15, 2013, the California Department of Finance ("**DOF**") finally and conclusively determined that the Implementation Agreement and its incorporation of the Transbay Affordable Housing Obligation are continuing enforceable obligations of OCII under Redevelopment Dissolution Law. DOF has confirmed that "any sale, transfer, or conveyance of property related to [the Transbay Final and Conclusive Determination] is authorized." Email from Justyn Howard, Assistant Program Budget Manager, DOF, to Tiffany Bohee, Executive Director, OCII (September 10, 2013, 09:17 am).

G. In January 2021, OCII took fee ownership of certain parcels within the Project Area from the TJPA, including Transbay Block 4 and the future East Tehama Street extension parcel.

H. On May 8, 2025, OCII issued a Housing Development Request for Proposals (the "**RFP**") to develop, own, and operate mixed-use affordable rental housing units, including units set-aside for households experiencing homelessness at Transbay Block 4 West on a portion of the parcel identified as Lot 1 on Tentative Transfer Map No. 10327 (approved by San Francisco Public Works Order No. 203553; the "**Affordable Housing Site**"). In addition, the RFP asked respondents to develop and construct a segment of East Tehama Street adjacent to the Affordable Housing Site, extending from Main Street to Beale Street (the "**Site**"), to be transferred upon completion to the City for long-term ownership and operation.

I. An evaluation panel comprised of OCII staff, City staff, and a member of the Transbay Citizens Advisory Committee reviewed submittals in response to the RFP and recommended Transbay Block 4 West, LP, a California limited partnership to develop both Block 4 West and the Site (the "**Affordable Developer**"). The Affordable Developer's submittal was responsive to the RFP, including as it relates to the development of the Site and demonstrated experience in completing infrastructure improvements needed to support high-quality affordable housing. On October 21, 2025, OCII staff provided the Commission with an informational memorandum on the evaluation panel's recommendation.

J. The Affordable Developer has designated Site Developer to perform the Predevelopment Work set forth in this Agreement and, by its signature hereto, OCII has consented to such designation.

K. The proposed development program for the Affordable Housing Site includes a total of approximately 314 rental housing units, including 311 affordable units and three manager's

units, resident amenities, approximately 4,200 square feet of commercial space, and related streetscape improvements (“**Project**”). Affordable units will be provided at a range of income levels and are currently contemplated to be comprised of 80 one-bedroom units, 154 two-bedroom units, and 77 three-bedroom units.

L. OCII previously contracted with San Francisco Public Works (“**SFPW**”) to design the Tehama Right of Way, exclusive of the southern sidewalk and crossings at Main and Beale Streets, through 100% Construction Documents as part of the Block 3 Park and Infrastructure project (“**Tehama ROW**”). SFPW completed the Tehama ROW design in early 2024.

M. OCII has determined that to ensure pedestrian and emergency vehicle access in time for initial occupancy of the Project, the design and construction of the East Tehama Street segment and related infrastructure including the Tehama ROW (“**Tehama Improvements**”) should be completed by the Affordable Developer or the Site Developer. To aid the Affordable Developer or Site Developer completing the design, engineering, and eventual construction of the Tehama Improvements, OCII will share the Tehama ROW design with the Affordable Developer and/or Site Developer.

N. On April 7, 2026, the Commission adopted Resolution No. _____ authorizing the Executive Director to execute an Exclusive Negotiations Agreement (“**ENA**”) to pursue predevelopment activities on Block 4 West and the Site. The ENA establishes a series of predevelopment milestones that, if completed, may culminate in the execution of a long-term ground lease agreement for the Affordable Housing Site, and an amended and restated Infrastructure Development Agreement for construction of the Tehama Improvements on the Site, both subject to a public hearing and consideration by the Commission.

O. On April 7, 2026 the Commission adopted Resolution No. _____ authorizing the Executive Director to execute an agreement to extend a predevelopment loan to the Affordable Developer in an initial amount of Five Million and No/100 Dollars (\$5,000,000.00) to fund certain costs related to studies and conceptual design of the Affordable Housing Site, as well as certain predevelopment costs for the Project (“**Predevelopment Loan Agreement**”).

P. On April 7, 2026 the Commission adopted Resolution No. _____ conditionally authorizing the Executive Director to execute an agreement in an initial amount of One Million and No/100 (\$1,000,000) to fund predevelopment studies, conceptual design, and related predevelopment activities for both the Site and the Tehama Improvements. OCII and Site Developer intend to execute this “**Infrastructure Development Agreement**” to govern the scope, schedule, and funding of such predevelopment work. The funds provided by this Infrastructure Development Agreement will not be deemed a loan, and Site Developer will not be expected to reimburse funds appropriately invoiced and paid according to the terms and conditions set forth herein.

Q. Affordable Developer and Site Developer have entered into that certain permit to enter agreement (“**Permit to Enter**”), authorizing Site Developer, its agents, employees, contractors, subcontractors, and consultants, to enter the Site to perform activity related to the Predevelopment Work (as defined below), in accordance with Site Developer’s rights under the Permit to Enter (as defined below).

R. OCII now intends to execute this Agreement to fund the predevelopment costs of the Predevelopment Work in accordance with the terms of this Agreement.

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 OCII in writing. All Accounts must be maintained in accordance with Section 2.4.

"**Affordable Developer**" has the meaning set forth in Recital I.

"**Affordable Housing Site**" has the meaning set forth in Recital H.

"**Agreement**" has the meaning set forth in the first paragraph hereto.

"**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 OCII and evidencing Site Developer's authority to execute, deliver and perform the obligations under the OCII Documents to which Site Developer is a party or by which it is bound.

"**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 Site Developer issued by the California Secretary of State and, if Site Developer 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 Effective Date.

"**City**" means the City and County of San Francisco, a municipal corporation. 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.

"**Commission**" means the Successor Agency Commission, commonly referred to as the Commission on Community Investment and Infrastructure.

"**Completion Date**" has the meaning set forth in Section 10.5.

"**CRL**" has the meaning set forth in Recital A.

"**Disburse**", "**Disbursement**" and other derivatives thereof means the disbursement of all or a portion of the Funding Amount by OCII as described in Article 4.

"**Effective Date**" means July 1, 2026.

"**ENA**" has the meaning set forth in Recital N.

"**Environment**" means surface or subsurface soil or strata, surface waters and sediments, navigable waters, wetlands, groundwater, drinking water supply, ambient or indoor air, plants, animals, wildlife and natural resources.

"**Environmental Activity**" means any actual, proposed or threatened presence, spilling, leaking, pumping, pouring, emitting, discharging, leaching, storage, releasing, generation, abatement, removal, treatment, disposal, handling or transportation of any Hazardous Substance at, under, into, on or from the Site.

"**Environmental Laws**" means all present and future federal, state, local and administrative laws, common law, 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, each as has been and hereafter may be amended.

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

"Excess Funds" means Funding Amount remaining after payment of all Predevelopment Work Expenses.

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

"Funding Amount" means an aggregate amount not to exceed one million and No/100 dollars (\$1,000,000).

"Funds" means the monies to be disbursed by OCII under this Agreement.

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

"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.

"Hazardous Substance(s)" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency with jurisdiction over the Site 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, classified or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed under Proposition 65 or otherwise as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as "hazardous" or "toxic" under any Environmental Law, and includes by way of example any asbestos, asbestos-containing materials, radionuclides, 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 ordinarily used in the construction, operation or maintenance of activities similar to the Predevelopment Work will not be deemed Hazardous Substances for purposes of this Agreement if used in compliance with applicable Environmental Laws.

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

"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.

“Infrastructure Development Agreement” has the meaning set forth in the first paragraph hereto.

"Law" or **"Laws"** means any and 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.

"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 rights in defense of any action in a bankruptcy proceeding.

"MOHCD" means the Mayor's Office of Housing and Community Development or its successor. Under Redevelopment 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.

"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, and any other documents executed with OCII or delivered to OCII in connection with this Agreement.

"Official Records" means the Official Records of the City and County of San Francisco.

"Permit to Enter" means a permit to enter of the Site between the Site Developer as the entity responsible for completing the Predevelopment Work and OCII as landlord, as approved by the Commission.

“Predevelopment Loan Agreement” has the meaning set forth in Recital O.

“Predevelopment Work” has the meaning set forth in Section 2.1.

"Predevelopment Work Expenses" means all costs incurred by Site Developer in connection with the performance of the Predevelopment Work, including hard and soft development costs and the expense of a cost audit.

"Project" means the development described in Recital K, to be developed and owned by the Affordable Developer.

"Project Area" has the meaning set forth in Recital A.

"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 Predevelopment Work or is paid for in whole or in part using the Funding Amount.

"Schedule of Performance" means the schedule attached hereto as Exhibit E that sets forth Predevelopment Work tasks and milestones and the dates by which they will be completed.

"SFPW" is San Francisco Public Works.

"Site" means the real property described in Exhibit F of this Agreement.

"Site Developer" has the meaning set forth in the first paragraph hereto.

"Site Developer Parties" has the meaning set forth in Section 23.1.

"Table of Sources and Uses" means a table of sources and uses of funds attached hereto as Exhibit A, including a line item budget for the use of the Funding Amount, which table may not be adjusted without OCII's prior written approval.

"Tehama Improvements" has the meaning set forth in Recital M.

"Tehama ROW" has the meaning set forth in Recital L.

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:
https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_admin/0-0-0-2

ARTICLE 2 ENGAGEMENT AND FUNDING

2.1 Engagement to Perform Predevelopment Work. OCII hereby engages the Site Developer to perform or cause to be performed the following work on the Site, which is necessary for the development of the Tehama Improvements: Predevelopment design and engineering of the Tehama Improvements, including the new street's roadway, curbs, sidewalks, lighting, furniture, any above- or below-grade utilities, plantings, among other improvements that may be required by OCII or the City ("**Predevelopment Work**"). OCII previously contracted with SFPW to design the Tehama ROW through 100% Construction Documents as part of the Block 3 Park and Infrastructure project. Through this Agreement, OCII will share the Tehama ROW design with the Affordable Developer and/or Site Developer to use towards completing the design and engineering of the Predevelopment Work. The Site Developer understands that OCII's existing Tehama ROW design was in relation to previous contemplations of the Transbay Block 3 and 4 projects, and therefore the Predevelopment Work must be refined relative to the Project. The Site Developer accepts such engagement by OCII and agrees to complete the Predevelopment Work for OCII (as an independent contractor and not as an agent of OCII), in accordance with the terms and conditions set forth below.

2.2 Funding Amount. OCII agrees to disburse to Site Developer up to an amount equal to the Funding Amount to finance expenses and third-party costs incurred by Site Developer to cause the Predevelopment Work to be completed. The Funding Amount will be disbursed according to the terms and conditions described in this Agreement.

2.3 Use of Funds. Site Developer acknowledges that OCII's agreement to Disburse the Funds is based in part on Site Developer's agreement to use the Funds solely to cause the

Predevelopment Work to be performed and agrees to use the Funds solely for that purpose in accordance with the approved Table of Sources and Uses.

2.4 Accounts; Interest. Each Account to be maintained by Site Developer 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. Any interest earned on funds in any Account must be used for the benefit of the Predevelopment Work.

2.5 Records. Site Developer must maintain and provide to 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 OCII in writing and keep all estimates, invoices, receipts and other documents related to expenditures from each Account. In addition, Site Developer must provide to OCII promptly following Site Developer'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.

2.6 Conditions to Additional Financing. OCII may grant or deny any application by Site Developer for additional financing for the Predevelopment Work in its sole discretion.

2.7 Contracting Requirements. Site Developer shall comply with OCII's Agreement compliance requirements for procurement activities as further set forth in Exhibit B of this Agreement.

2.8 Workforce Requirements. Site Developer shall comply with OCII workforce requirements pursuant to Exhibit B.

2.9 Additional OCII Approvals. Site Developer understands and agrees that OCII is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Site Developer 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 Site Developer will not be required to obtain any necessary approvals from City departments, boards or commissions that have jurisdiction over the Predevelopment Work. By entering into this Agreement, OCII is in no way modifying or limiting the obligations of Site Developer to carry out the Predevelopment Work in accordance with all local laws. Site Developer understands that the Predevelopment Work shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Predevelopment Work, which may include other City agencies. 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 Predevelopment Work, 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, (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 Predevelopment Work.

ARTICLE 3 INTENTIONALLY OMITTED.

ARTICLE 4 DISBURSEMENTS.

4.1 Conditions Precedent to Start of Predevelopment Work.

(a) OCII will authorize the commencement of the Predevelopment Work upon satisfaction of the following preconditions:

i. The ENA, Predevelopment Loan Agreement, and Permit to Enter, must be executed and delivered between OCII (as Landlord) and the Affordable Developer (as Permittee);

ii. Site Developer must have delivered to OCII fully executed originals of the following documents, in form and substance satisfactory to OCII: (i) this Agreement (in triplicate); (ii) the Authorizing Resolutions; and (iii) any other OCII Documents reasonably requested by OCII.

iii. Site Developer must have delivered to OCII Site Developer's Charter Documents.

iv. Site Developer must have delivered to OCII evidence of insurance (including required endorsements), acceptable to OCII, and, if requested by OCII, copies of policies for all insurance required under Exhibit C of this Agreement.

(b) Following satisfaction of the conditions in Section 4.1 (a), OCII will authorize the commencement of the Predevelopment Work and begin Disbursements in accordance with Section 4.2.

4.2 Disbursement of Funds

4.2.1 Generally. OCII will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Site Developer in accordance with this Agreement and the approved line-item budget contained in the Table of Sources and Uses, as applicable.

4.2.2 Disbursement of Funds. As and when requested and in accordance with this Agreement and the approved line-item budget contained in the Table of Sources and Uses, OCII will make Disbursements to or for the account of Site Developer in an aggregate sum not to exceed the Funding Amount.

4.2.3 Conditions to Disbursement of Funding Amount. OCII's obligation to Disburse Funds is subject to Site Developer's satisfaction of the following conditions precedent:

(a) Site Developer must have delivered to OCII an Expenditure Request in form and substance satisfactory to OCII, together with: (i) copies of invoices, Agreements 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 Site Developer 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 Funds 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 Transbay Project 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 up to 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. Any such approved changes will be considered amendments to the Table of Sources and Uses.

(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) OCII shall use best efforts to either approve or disapprove each such Expenditure Request within ten (10) business days of receipt. In the event that OCII disapproves an Expenditure Request, OCII shall provide written notice thereof to Site Developer specifying the reason for such disapproval. To the extent reasonably practicable, OCII shall fund all approved Expenditure Requests within five (10) business days of approval.

4.3 Schedule of Performance. Site Developer must perform in accordance with the Schedule of Performance (Exhibit E). The Schedule of Performance may be modified at the request of the Site Developer with the written consent of the OCII Executive Director, which consent will not be unreasonably withheld, conditioned, or delayed.

4.4 Limitations on Approved Expenditures. OCII may refuse to make any Disbursement: (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 Expenditure Requests. 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 Site Developer under this Agreement exceed the Funding Amount.

4.5 Retention of Excess Funds. OCII will retain Excess Funds.

ARTICLE 5 INTENTIONALLY OMITTED.

ARTICLE 6 INTENTIONALLY OMITTED.

ARTICLE 7 INTENTIONALLY OMITTED.

ARTICLE 8 INTENTIONALLY OMITTED.

ARTICLE 9 GOVERNMENTAL REQUIREMENTS.

9.1 Site Developer Compliance. Site Developer must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of the Funding Amount for the Predevelopment Work, including the requirements of the CRL, and those Laws set forth in Exhibit B. Site Developer 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 Site Developer from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 10 PREDEVELOPMENT WORK MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

(a) Site Developer understands and agrees that it will be monitored by OCII from time to time to ensure compliance with all terms and conditions in this Agreement and all Laws. Site Developer must cooperate with the monitoring by OCII and ensure full access to the Site and all information related to the Predevelopment Work as reasonably required by OCII.

(b) Site Developer must keep and maintain books, records and other documents relating to the receipt and use of all Funds. Site Developer must maintain records of all income, expenditures, assets, liabilities, Agreements, operations, and condition of the Predevelopment Work. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

10.2 [Intentionally Omitted].

10.3 [Intentionally Omitted].

10.4 [Intentionally Omitted].

10.5 Predevelopment Work Completion Report. Within the specific time periods set forth below after the completion of the Predevelopment Work, as applicable (**“Completion Date”**), Site Developer must provide to OCII the reports listed below certified by Site Developer to be complete and accurate. Subsequent to the required submission of the reports listed below, Site Developer 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, Site Developer shall provide the following reports:

(a) within one hundred eighty (180) days after the Completion Date, a project completion audit performed by an independent certified public accountant identifying the uses of all the Funds; and

(b) within thirty (30) days after the Completion Date, a report on expenditures to third-party firms, including but not limited to consultants, contractors, and subcontractors, whether such firms are small business enterprises, the type of work and the dollar value of such work.

10.6 Response to Inquiries. At the request of OCII, its agents, employees or attorneys, Site Developer must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, Agreements, operations and condition of the Predevelopment Work, and any other requested information with respect to Site Developer or the Predevelopment Work.

10.7 Delivery of Records. At the request of OCII, made through its agents, employees, officers or attorneys, Site Developer must provide OCII within a reasonable period of time of no less than sixty (60) days from request therefor with copies of any other records related to the services rendered in connection with the Site, certified in writing by Site Developer to be complete and accurate.

10.8 Access to Other Books and Records. In addition to Site Developer's obligations under Sections 2.5 and 10.1, any other obligations to provide reports or maintain records in this Agreement or any other OCII Document, Site Developer agrees that duly authorized representatives of OCII will have access to and the right to inspect, copy, audit and examine all books, records and other documents Site Developer is required to keep at all reasonable times, following reasonable notice, for the retention period required under Section 10.9.

10.9 Records Retention. Site Developer must retain all records required for the periods required under applicable Laws.

ARTICLE 11 INTENTIONALLY OMITTED.

ARTICLE 12 INTENTIONALLY OMITTED.

ARTICLE 13 INTENTIONALLY OMITTED.

ARTICLE 14 INTENTIONALLY OMITTED.

ARTICLE 15 DEVELOPER FEE.

15.1 Amount. A portion of the Funding Amount in the cumulative amount of up to Fifty Thousand and No/100 Dollars (\$50,000) shall be available to Site Developer as a developer fee for the period between the Effective Date and the Completion Date, payable in accordance with the Developer Fee Schedule attached hereto as Exhibit I.

ARTICLE 16 INTENTIONALLY OMITTED

ARTICLE 17 INSURANCE AND BONDS

17.1 Site Developer's Insurance. Subject to approval by OCII's risk manager of the insurers and policy forms, Site Developer must obtain and maintain, or cause to be obtained and maintained, insurance as set forth in Exhibit C commencing with the Effective Date and thereafter throughout the duration of the Predevelopment Work, at no expense to OCII.

ARTICLE 18 GOVERNMENTAL APPROVALS.

18.1 Compliance. Site Developer 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 performance and completion of the Predevelopment Work. Subject to Section 23.1, this Section does not prohibit Site Developer 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 Site Developer of any covenant, agreement, provision or warranty contained in this Agreement that remains uncured upon the expiration of any applicable notice and cure periods will constitute an "Event of Default," including the following:

(a) Site Developer fails to perform or observe any term, covenant or agreement contained in any OCII Document, and the failure continues for thirty (30) days after Site Developer's receipt of written notice from OCII to cure the default, or, if the default cannot be cured within a 30-day period, Site Developer will have sixty (60) days to cure the default, or any longer period of time deemed necessary by OCII, *provided that* Site Developer commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(b) Any representation or warranty made by Site Developer in any of this Agreement proves to have been incorrect in any material respect when made; or

(c) Site Developer is subject to an order for relief by a 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 Site Developer applies for or consents to the appointment of any

receiver, trustee or similar official for Site Developer 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 Site Developer institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to Site Developer 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).

19.2 Intentionally Omitted.

19.3 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 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.

(b) OCII may perform any of Site Developer's obligations in any manner, in OCII's reasonable discretion.

(c) OCII may terminate this Agreement.

(d) 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 Site Developer's noncompliance with this Agreement.

19.4 Force Majeure. The occurrence of any of the following events will excuse performance of any obligations of OCII or Site Developer to the extent the event(s) cause delays in the performance of a party's obligations under this Agreement and which delays are beyond the control of the party obligated to perform: 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; pandemics and other causes beyond the control of the party obligated to perform. The occurrence of a force majeure event will excuse Site Developer's performance only in the event that Site Developer has provided notice to OCII within thirty (30) days after the occurrence or commencement of the event or events, and Site Developer's performance will be excused for so long as the conditions giving rise to the delay continue to result in delay to performance hereunder.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Site Developer Representations and Warranties. As a further inducement for OCII to enter into this Agreement, Site Developer 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 Site Developer under any applicable Law, any Charter Document of Site Developer or any instrument binding upon or affecting Site Developer, or any agreement, judgment, order, decree or other instrument binding upon or affecting Site Developer.

(b) When duly executed, the OCII Documents will constitute the legal, valid and binding obligations of Site Developer. Site Developer hereby waives any defense to the enforcement of the OCII Documents related to alleged invalidity of the OCII Documents.

(c) To Site Developer's knowledge, no action, suit or proceeding is pending or threatened that might affect Site Developer or the Predevelopment Work adversely in any material respect.

(d) To Site Developer's knowledge, Site Developer is not in default under any agreement to which it is a party, including any lease of real property.

(e) None of Site Developer, Site Developer's principals or Site Developer's general contractor has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Site Developer, 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 Site Developer in connection with the Predevelopment Work 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, by nationally recognized courier that obtains receipts 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 Site Developer: Transbay 4 Tehama LLC

Attention: _____
Email: _____

WITH A COPY TO:

Attention: _____
Email: _____

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.

ARTICLE 22 HAZARDOUS SUBSTANCES.

22.1 Responsibilities. Site Developer shall be responsible for the investigation of Hazardous Substances or other environmental conditions at, in, on, or under the Site as part of the Predevelopment Work and to the extent of available Funds. If previously unknown or unforeseen Hazardous Substances or other environmental conditions are discovered during the course of the Predevelopment Work, the Site Developer will notify OCII and the Affordable Developer promptly. Any such unknown or unforeseen Hazardous Substances, excess amounts of Hazardous Substances, and any other environmental conditions are not the direct responsibility of Site Developer and shall be addressed either by mutually agreed amendment to this Agreement, or by OCII in accordance with applicable provisions of the Permit to Enter.

22.2 Covenant. Unless OCII otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Site Developer must: (a) comply with all applicable Environmental Laws relating to the Site and the Predevelopment Work, and not

engage in or 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 Predevelopment Work or intended use of the Site, *provided that* nothing contained in this Section will prevent Site Developer from contesting, in good faith and by appropriate proceedings, any interpretation, enforcement or application of Environmental Laws; and (b) deliver to OCII notice of the discovery by Site Developer of any Environmental Activity in violation of applicable Environmental Laws on the Site promptly following Site Developer's discovery.

ARTICLE 23 INDEMNITY.

23.1 Site Developer's Obligations. Site Developer shall, to the fullest extent allowable by law, defend, indemnify and protect and hold harmless OCII, the City, and their respective officers, agents and employees (individually an “**Indemnitee**” or collectively, “**Indemnitees**”) against any and all Losses arising directly or indirectly, in whole or in part out of:

(a) any default by Site Developer in the observance or performance of any of Site Developer's obligations under the OCII Documents (including those covenants set forth in Article 22 above (and subject to the limitation in Section 22.1 above));

(b) any failure of any representation by Site Developer to be correct in all material respects when made;

(c) injury or death to persons or damage to property or other Loss occurring on the Site in connection with the Predevelopment Work, whether caused by the negligence or any other act or omission of Site Developer or its contractors, agents, permittees or invitees (individually and collectively the “**Site Developer Parties**”) or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation or maintenance or any other condition or otherwise, but only to the extent any such damage, injury, activity, condition or event (x) occurs on or after the Effective Date, and (y) arises directly or indirectly from Site Developer's or Site Developer's Parties' activities related to the Predevelopment Work;

(d) any claim, demand or cause of action, or any action or other proceeding (including without limitation those made by third-parties), whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of the OCII Documents, the Disbursements, Site Developer's or Site Developer's Parties' activities on the Site or Site Developer's or Site Developer's Parties' performance of the Predevelopment Work, or any transaction contemplated by, or the relationship between Site Developer and OCII or Site Developer and the City;

(e) the occurrence, after the date of this Agreement and before the expiration of the term of this Agreement, of any Environmental Activity arising directly or indirectly from Site Developer's or Site Developer's Parties' activities on the Site or any failure of Site Developer or Site Developer's Parties to comply with all applicable Environmental Laws relating to Site Developer's or Site Developer's Parties' activities on the Site;

(f) the occurrence, after the termination of this Agreement, of any Environmental Activity resulting directly or indirectly from any act or failure to act caused or permitted by Site

Developer or Site Developer's Parties occurring from the date of this Agreement until the termination of this Agreement;

(g) any liability of any nature arising from Site Developer's contest of or relating to the application of any Law, including any contest permitted under Sections 9.1 or 18.1; or

(h) 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 (g) above, *provided that* no Indemnitee will be entitled to indemnification under this Section for any Environmental Activity first existing or occurring as of or prior to the date of this Agreement (unless and except to the extent aggravated or exacerbated by Site Developer or Site Developer's Parties), any Environmental Activity of or caused by a person or entity other than Site Developer or Site Developer's Parties, or for matters caused solely by the Indemnitee's own 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 Site Developer has indemnified the Indemnitees hereunder, upon written notice, Site Developer must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Site Developer'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 completion of the Predevelopment Work and/or termination of this Agreement.

23.2 No Limitation. Site Developer's obligations under Section 23.1 are not limited by the insurance requirements under this Agreement.

ARTICLE 24 GENERAL PROVISIONS.

24.1 Intentionally Omitted.

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 Site Developer or Site Developer's agents, employees or contractors.

24.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any third-party claim against OCII 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 Predevelopment Work. Site Developer must include this requirement as a provision in any Agreements for the performance of the Predevelopment Work.

24.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by OCII and Site Developer 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 Site Developer.

24.5 OCII Obligations. OCII's sole obligation under this Agreement is limited to providing the funds as described in this Agreement, up to the Funding Amount. Under no circumstances, including breach of this Agreement, will OCII be liable to Site Developer 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 Site Developer Solely Responsible. Site Developer 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. Site Developer is solely responsible for: (a) its own acts and those of its agents, employees, contractors and subcontractors 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 Agreement that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Site Developer, any of its contractors or subcontractors and OCII and its officers, representatives, agents and employees on account of any act, error or omission of Site Developer in the performance of this Agreement or any other OCII Document and the performance of the Predevelopment Work; and (c) all costs and expenses relating to Site Developer'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. Site Developer 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 as pertains to the Predevelopment Work, 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 Site Developer or if Site Developer consists of more than one person or entity, the obligations of such persons and entities shall be joint and several.

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 Site Developer of its obligation under the OCII Documents to obtain OCII's prior written consent to any assignment or other transfer of Site Developer's interests in the Agreement, the Site or the ownership interests in Site Developer.

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 OCII's General Counsel and/or 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 OCII's General Counsel's and City Attorney's offices will be based on the fees regularly charged by private attorneys: (i) with the equivalent number of years of experience in the subject matter of law for which such legal services were rendered; (ii) who practice in the City of San Francisco; and (iii) who practice in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

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. Site Developer 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 Intentionally Omitted.

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 Site Developer's Personnel. The Predevelopment Work shall be implemented only by competent personnel under the direction and supervision of Site Developer.

24.20 Intentionally Omitted.

24.21 Intentionally Omitted.

24.22 Works for Hire. If, in connection with this Agreement or the implementation of the Predevelopment Work, Site Developer 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, Site Developer 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, Site Developer may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Site Developer shall use commercially reasonable efforts to obtain all releases, assignments or other agreements from other persons or entities implementing the Predevelopment Work to ensure that OCII obtains the rights set forth in this Section.

24.23 Intentionally Omitted.

24.25 Exhibits. The following exhibits are attached to this Agreement and incorporated by reference:

EXHIBITS

- A Table of Sources and Uses of Funds
- B Agreement Compliance Policies
- C Insurance Requirements
- D Lobbying/Debarment Certification Form
- E Schedule of Performance
- F Description of the Site
- G Assignment of Work Product
- H Consent to Assignment of Work Product
- I Developer Fee Schedule

Signatures begin on following page

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

SITE DEVELOPER:

Transbay 4 Tehama LLC,
a California limited liability company

By: _____
Thurston Kaslofsky
Executive Director

APPROVED AS TO FORM:

James B. Morales
OCII General Counsel

By: _____
Victor Pappalardo
Deputy General Counsel

Authorized by OCII Resolution No. XX-XXXX, dated _____ 2026

EXHIBIT A

Table of Sources and Uses

Application Date: _____
 Project Name: Tehama Improvements # Units: _____
 Project Address: # Bedrooms: _____
 Project Sponsor: Mercy Housing California and Young Community Developers # Beds: _____
 Don't forget to fill in D135:D138!

SOURCES	1,000,000	-	-	-	-	-	-	Total Sources	1,000,000	Comments
Name of Sources:	MOHCD/OCII									

USE!

ACQUISITION

Acquisition cost or value								0	
Legal / Closing costs / Broker's Fee								0	
Holding Costs								0	
Transfer Tax								0	
TOTAL ACQUISITION	0	0	0	0	0	0	0	0	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab								0	Include FF&E
Commercial Shell Construction								0	
Demolition								0	
Environmental Remediation								0	
Drainage Improvements/Landscaping								0	
Offsite Improvements								0	
Infrastructure Improvements	130,500							130,500	HOPE SF/OCII costs for streets etc.
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes								0	0.0%
GC Overhead & Profit								0	0.0%
GC General Conditions								0	0.0%
Sub-total Construction Costs	130,500	0	0	0	0	0	0	130,500	
Design Contingency (remove at DD)								0	\$45MM+
Bid Contingency (remove at bid)								0	\$45MM+
Plan Check Contingency (remove/reduce during Plan Review)								0	\$45MM+
Hard Cost Construction Contingency								0	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	130,500	0	0	0	0	0	0	130,500	

Construction
line item costs
as a % of
hard costs
0.0%
0.0%
0.0%
0.0%

SOFT COSTS

Architecture & Design

Architect design fees	50,000							50,000	See MOHCD A/E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	50,000							50,000	
Architect Construction Admin								0	
Reimbursables								0	
Additional Services								0	
Sub-total Architect Contract	100,000	0	0	0	0	0	0	100,000	
Other Third Party design consultants (not included under Architect contract)	450,000							450,000	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	550,000	0	0	0	0	0	0	550,000	

Engineering & Environmental Studies

Survey	25,000							25,000	
Geotechnical studies								0	
Phase I & II Reports	25,000							25,000	
CEQA / Environmental Review consultants	25,000							25,000	
NEPA / IIR Review								0	
CNA/PNA (rehab only)								0	
Other environmental consultants	25,000							25,000	Name consultants & contract amounts
Total Engineering & Environmental Studies	100,000	0	0	0	0	0	0	100,000	

Financing Costs

Construction Financing Costs								0	
Construction Loan Origination Fee								0	
Construction Loan Interest								0	
Title & Recording								0	
CDLAC & CDAC fees								0	
Bond Issuer Fees								0	
Other Bond Cost of Issuance								0	
Other Lender Costs (specify)								0	
Sub-total Const. Financing Costs	0	0	0	0	0	0	0	0	

Permanent Financing Costs

Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee								0	
Title & Recording								0	
Sub-total Perm. Financing Costs	0	0	0	0	0	0	0	0	
Total Financing Costs	0	0	0	0	0	0	0	0	

Legal Costs

Borrower Legal fees	10,000							10,000	
Land Use / CEQA Attorney fees	10,000							10,000	
Tax Credit Counsel								0	
Bond Counsel								0	
Construction Lender Counsel								0	
Permanent Lender Counsel								0	
Other Legal (specify)								0	
Total Legal Costs	20,000	0	0	0	0	0	0	20,000	

Other Development Costs

Appraisal								0	
Market Study								0	
* Insurance								0	
Property Taxes								0	
Accounting / Audit								0	
* Organizational Costs								0	
Settlement / Permit Fees	50,000							50,000	
* Marketing / Rent-up								0	
Furnishings								0	\$2,000/unit; See MOHCD UIW Guidelines: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees								0	
TCAC App / Alloc / Monitor Fees								0	
Financial Consultant fees								0	
Construction Management fees / Owner's Rep	25,000							25,000	
Security during Construction								0	
* Relocation								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
Total Other Development Costs	75,000	0	0	0	0	0	0	75,000	

Total Soft
Cost
Contingency
as % of Total
Soft Costs
16.9%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	74,500	0	0	0	0	0	0	74,500	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	819,500	0	0	0	0	0	0	819,500	

RESERVES

* Operating Reserves								0	
Replacement Reserves								0	
* Tenant Improvements Reserves								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
TOTAL RESERVES	0	0	0	0	0	0	0	0	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	50,000							50,000	
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)								0	
Developer Fee - Deferred (also show as source)								0	Need MOHCD approval for this cost, N/A for most projects
Development Consultant Fees								0	
Other (specify)								0	
TOTAL DEVELOPER COSTS	50,000	0	0	0	0	0	0	50,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	1,000,000	0	0	0	0	0	0	1,000,000	
Development Cost/Unit as % of TDC by Source									

Acquisition Cost/Unit by Source

Construction Cost (inc Const Contingency)/Unit By Source									
Construction Cost (inc Const Contingency)/SF									

*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	0								
-------------------	---	--	--	--	--	--	--	--	--

Tax Credit Equity Pricing:

Construction Bond Amount:									Fill in with value or 'N/A' if not applicable.
Construction Loan Term (in months):									Fill in with value or 'N/A' if not applicable.
Construction Loan Interest Rate (as %):									Fill in with value or 'N/A' if not applicable.

EXHIBIT B

Agreement Compliance Policies

1. **Equal Opportunity Policies.** Site Developer shall comply with OCII's Equal Opportunity Policies:

- (i) **Small Business Enterprise (SBE) Policy** (adopted by Resolution No. 43-2015, July 7, 2015, as amended by Resolution No. 7-2022);
- (ii) **Prevailing Wage Policy** (adopted by Resolution No. 327-1985 Nov. 12, 1985);
- (iii) **Nondiscrimination in Contracts and Benefits** (adopted by Resolution No. 175-1997);
- (iv) **Health Care Accountability Policy** (adopted by Resolution No. 168-2001, as amended by Resolution No. 34-2009); and
- (v) **Minimum Compensation Policy** (adopted by Resolution No. 168-2001, as amended by Resolution No. 34-2009).

Copies of the aforementioned policies are available on the OCII website at <http://sfocii.org/policies-and-procedures>

2. **Environmental Review.** The Predevelopment Work must meet the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 et seq.) and implementing regulations, and any other environmental reviews as required by any federal funding sources obtained, including the National Environmental Policy Act ("NEPA").

3. **Conflict of Interest.**

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Site Developer 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, Site Developer 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. Site Developer 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, Site Developer must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Site Developer 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. Site Developer certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify OCII immediately if Site Developer at any time obtains knowledge of facts constituting a violation.

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

4. Disability Access. Site Developer 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.). Site Developer is responsible for determining which disability access Laws apply to the Predevelopment Work, including those applicable due to the use of Funds. In addition, before occupancy of the Predevelopment Work, Site Developer must provide to OCII a written reasonable accommodations policy that indicates how Site Developer will respond to requests by disabled individuals for accommodations in Units and common areas of the Predevelopment Work.

5. Lead-Based Paint. Site Developer 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. Site Developer 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. [Intentionally Omitted]

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

(a) Site Developer May Not Discriminate. In the performance of this Agreement, Site Developer 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 Site Developer, in any of Site Developer'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 Site Developer.

(b) Non-Discrimination in Benefits. Site Developer 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 OCII's Nondiscrimination in Contracts Policy, adopted by Agency Resolution 175-97, as amended from time to time.

8. Public Disclosure.

(a) Site Developer understands and agrees that under the State Public Records Law (Cal. Gov. Code §§ 6250 et seq.) and the OCII Public Records Policy, this Agreement and any and all records, information and materials submitted to OCII or the City hereunder are public records subject to public disclosure. Site Developer 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. Limitations on Contributions. Through execution of this Agreement, Site Developer 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 OCII 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) an individual holding a City elective office if the contract must be approved by such individual, the board on which that individual serves, or a state

agency on whose board an appointee of that individual serves, (2) a candidate for the office held by such an individual, 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 twelve months after the date the contract is approved. Site Developer 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 \$100,000 or more. Site Developer further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Site Developer's board of directors; Site Developer's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Site Developer; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Site Developer. Additionally, Site Developer acknowledges that Site Developer must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126.

Finally, Site Developer agrees to provide to OCII the names of: (i) each of Site Developer's board of directors, including its chairperson; (ii) Site Developer's general partners' (or, if applicable, general partners' managing members); (iii) Site Developer's, chief executive officer, chief financial officer, and chief operating officer; (iv) any person with an ownership interest of more than 20 percent in Site Developer; (v) any subcontractor listed in the bid or this Agreement; and (vi) any committee that is sponsored or controlled by Site Developer.

EXHIBIT C
Insurance Requirements

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Site Developer must obtain and maintain, or caused to be maintained, insurance as set forth in this Exhibit C throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII. If and when the Site Developer and OCII enter into a gap loan agreement, grant agreement, or other agreements authorizing or funding the construction of the Predevelopment Work, OCII will adjust these insurance requirements to reflect the risks associated with construction-related activities.

- A. Overview of Coverage Requirements. The following table summarizes required insurance policies and documentation. Please see Section B of this Exhibit C for more detailed descriptions of policy requirements.

Insurance Type	Coverage Amount (Minimum)	Applicable Parties	Endorsement or Certificate Required
Commercial General Liability (see Section B.1)	\$2,000,000 per occurrence/ \$4,000,000 aggregate	Site Developer and Site Developer's contractors	Additional insured (see Section G)
Automobile Liability (see Section B.2)	\$2,000,000 per occurrence	Site Developer and Site Developer's contractors	Additional insured (see Section G)
Worker's Compensation and Employer's Liability (see Section B.3)	As per statute for Workers Comp; \$1,000,000 per accident; \$1,000,000 per employee; and in aggregate for bodily injury by disease as respects Employers Liability	Site Developer and Site Developer's contractors	Waiver of subrogation
Professional Liability (see Section B.4)	\$2,000,000 per claim/ \$2,000,000 aggregate	Site Developer if engaged in any eligible design-related activities; and Site Developer's design and professional contractors	None
Crime/Dishonesty (see Section B.5)	\$1,000,000 per loss	Site Developer	Loss payee endorsement

B. Minimum Scope and Limits of Insurance. Site Developer and/or Site Developer's Contractors must maintain insurance with limits no less than:

- 1) Commercial General Liability coverage, under Insurance Services Office occurrence form CG 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). Before the start of demolition/construction if the Site is unoccupied, Site Developer and Site Developer's Contractors will maintain coverage of not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Four Million Dollars (\$4,000,000) annual aggregate limit. Umbrella or Excess Liability Policy may be used to meet the terms of this section. Site Developer should note that the General Liability coverage described herein is applicable only during the predevelopment phase and that OCII will require increased coverage for the Site Developer and construction contractors during the construction period.
- 2) Automobile Liability coverage for all owned, non-owned, scheduled, and hired automobiles under Insurance Services Office form number CA 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). If Site Developer does not own any automobiles, Site Developer must provide OCII a written statement confirming that no automobiles are owned, and OCII will accept an Automobile Insurance policy providing coverage for Symbol 8 (hired autos) and Symbol 9 (non-owned autos), with additional insured endorsement. Two Million Dollars (\$2,000,000) per accident for bodily injury and property damage, combined single limit.
- 3) Worker's Compensation and Employer's Liability as required by the State of California. A waiver of subrogation naming OCII is required (also known as "transfer of rights of recovery against others to us"). Employer's Liability coverage must provide limits of One Million Dollars (\$1,000,000) for bodily injury each accident; and not less than One Million Dollars (\$1,000,000) per employee; and One Million Dollars (\$1,000,000) in the annual aggregate for bodily injury by disease. If the Site Developer does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Affordable Developer or the General Partner of the Partnership, in lieu of such coverage being provided by the Site Developer. Additionally, the Site Developer must provide a written statement confirming that the Site Developer does not have employees.
- 4) Professional Liability (Errors and Omissions) insurance, applicable to the Site Developer's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Site Developer only if the Site Developer or Affordable Developer has any employees providing design or engineering services. Two Million Dollars (\$2,000,000) for each claim and in the annual aggregate limit covering negligent acts, errors or omissions in connection with professional services to be provided in connection with the Project. If the Professional Liability insurance is "claims made" coverage, these minimum limits shall be maintained for no less than five (5) years beyond completion of the scope of services performed. Any deductible over One Hundred Thousand Dollars (\$100,000) each claim must be reviewed by OCII Risk Management.

Design professionals who utilize the services of subcontractors or consultants to complete work in connection with this project are required to assess the risks associated with such

contractors and, with the authorization of the Site Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant. The design professional and the Site Developer shall assume costs and expenses that may be incurred in fulfilling any indemnity obligations as to itself or any subcontractors or consultants for whom the design professional and/or the Site Developer are legally liable in the absence of adequate subcontractor or consultant coverage.

- 5) Crime Policy or Fidelity Bond covering Site Developer and Site Developer's officers and employees against dishonesty with respect to the Funding Amount. One Million Dollars (\$1,000,000) each loss, with any deductible not to exceed Ten Thousand Dollars (\$10,000). Site Developer must provide an endorsement naming OCII as an additional obligee or loss payee.
- C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions in excess of those required for policies stated herein must be declared to and approved by OCII. At the option of OCII, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees; or Site Developer shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- D. Umbrella or Excess Liability Policies. An Umbrella and/or Excess Liability policy(ies) may be used to reach the Commercial General Liability, Workers' Compensation, and/or Automobile Liability coverage limits required herein. The Umbrella/Excess Liability/OCIP policy(ies) must appropriately schedule any such underlying policy(ies).
- E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII, unless otherwise approved by OCII's Risk Manager.
- F. General Requirements.
- 1) If the Site Developer maintains additional coverages and/or higher limits than the minimums shown in this Attachment 5, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Site Developer.
 - 2) The policies required herein, with the exception of Professional Liability and Workers Compensation, shall be primary insurance and non-contributory as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents, and employees. Any insurance or self-insurance maintained by OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees shall be in excess of Site Developer's insurance and shall not contribute with it.
 - 3) Each insurance policy required herein must be endorsed (if endorsement is available) to state that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by mail has been given to OCII. Should the insurance carrier not be able to provide such notice, then the responsibility to provide the notice to OCII shall be borne by the policyholder.

- 4) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees.
- 5) Approval of Site Developer's insurance by OCII will not relieve or decrease the liability of Site Developer under this Agreement.
- 6) OCII and its officers, agents and employees will not be liable for any required premium under any policy maintained by Site Developer.
- 7) 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 five (5) years after the Compliance Term for general liability insurance.

G. Verification of Coverage. Site Developer must furnish OCII with certificates of insurance and original endorsements evidencing coverage required by this clause. The certificates and applicable endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by OCII before work commences. OCII reserves the right to require complete, certified copies of all required insurance policies, including endorsements demonstrating the coverage required by these specifications at any time. Site Developer shall require and verify that its contractors and consultants maintain the required policies as stated herein. Site Developer must furnish OCII with copies of certificates and endorsements upon request. All certificates shall include the following:

- 1) Identify the following as the certificate holder:

Successor Agency to the Redevelopment Agency of the City and
County of San Francisco

Office of Community Investment and Infrastructure

One South Van Ness Avenue, 5th Floor

San Francisco, CA 94103
- 2) Identify the name of the insurance policy holder (Site Developer or Contractor), the Project name, and the Project address.
- 3) For policies in which OCII is required to be named as an additional insured, loss payee, dual obligee, or named on a waiver of subrogation, the policy shall name "Office of Community Investment and Infrastructure/Successor Agency to the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees" on the certificate and on the attached endorsement or certificate.

H. Review. OCII reserves the right to modify the insurance coverage under this Section, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances consistent with OCII's Risk Management Policy. The insurance coverage required under this Section shall be evaluated by OCII for adequacy from time to time. OCII may require Site

Developer to increase the insurance limits and/or forms of coverage in its reasonable discretion provided that such limits and/or coverage is generally available at commercially reasonable rates.

EXHIBIT D

Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. 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 Agreement, 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 Agreement, grant, loan or cooperative agreement.
2. 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 Agreement, 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.

3. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Loan Closing Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a Agreement 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.

BY: _____

NAME: _____

TITLE: _____

DATE: _____

EXHIBIT E

SCHEDULE OF PERFORMANCE

	Performance Milestone	Estimated or Actual Date
1	Notice to Proceed	<u>4/8/2026</u>
2	Completion of Predevelopment Work	<u>10/1/2028</u>

EXHIBIT F

Description of the Site

Lot 2 of Final Transfer Map 10327, an 11,000 square foot distinct parcel, depicted in the graphic below.

Assessor's Block 3739-011

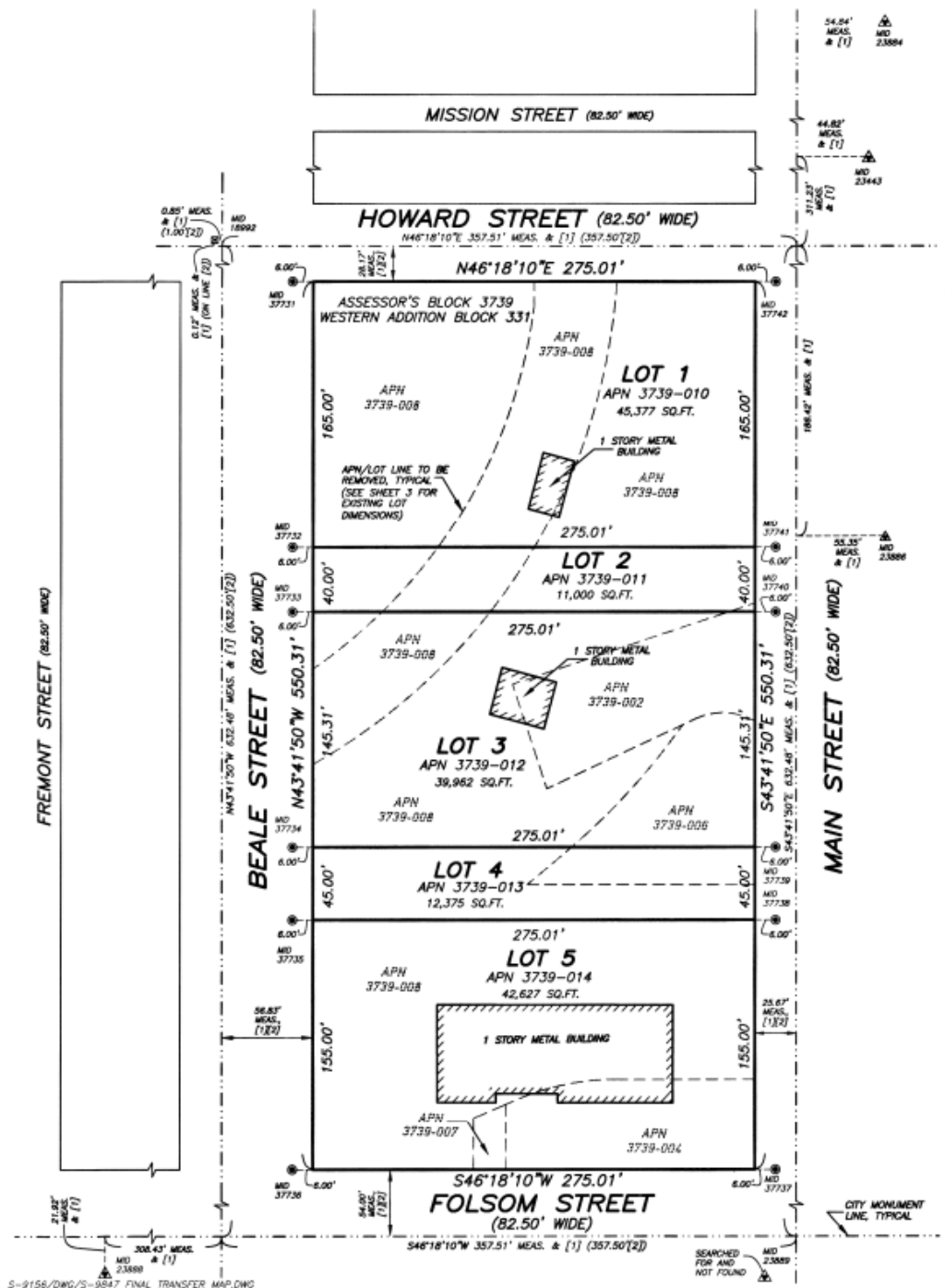


EXHIBIT G

Assignment of Work Product

Assignment of Architects and Engineers Agreement Plans and Specifications

FOR VALUE RECEIVED, _____, (“Site Developer”) 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 (commonly known as the Office of Community Investment and Infrastructure) (“Agency”) all of its rights, title and interest in and to that certain architect’s agreement (“Agreement”) entered into by and between Site Developer and Kennerly Architecture & Planning/SCB and any other contracts entered into between Site Developer 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 Site Developer in connection with the development of East Tehama Street.

Site Developer and Architect or Engineer, by executing the Consent to this assignment, agree that Agency does not assume any of Site Developer’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.

Site Developer hereby irrevocably constitutes and appoints Agency as its attorney-in-fact to demand, receive, and enforce Site Developer’s rights with respect to the Agreement and the Plans, to give appropriate receipts, releases and satisfactions for and on behalf of Site Developer and to do any and all acts in the name of Site Developer or in the name of Agency with the same force and effect as Site Developer could do if this Assignment had not been made.

Site Developer hereby represents and warrants to Agency that no previous assignment of its interest in the Agreement and the Plans has been made, and Site Developer 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 be binding upon and inure to the benefit of the heirs, legal representatives, assigns, or successors in interest of the Site Developer and Agency.

IN WITNESS WHEREOF, Site Developer has caused this Assignment to be executed on _____, 2026.

SITE DEVELOPER:

By: _____

EXHIBIT H

Consent to Assignment of Work Product

Consent to Assignment

FOR VALUE RECEIVED, _____, ("Site Developer") 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 (commonly known as the Office of Community Investment and Infrastructure) ("Agency") all of its rights, title and interest in and to that certain architect's agreement ("Agreement") entered into by and between Site Developer and Kennerly Architecture & Planning/SCB ("Architect") and any other contracts entered into between Site Developer and any licensed design professional 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 Architect(s), Engineer(s) and others for the account of Site Developer in connection with the development of East Tehama Street.

The undersigned has prepared the Plans, hereby consents to the above Assignment hereby waives his/her lien rights, if any, for services rendered to date with respect to the Plans. The undersigned also agrees that in the event of a breach by Site Developer 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 Site Developer'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 OCII to cure said default, but only gives it the option to do so.

The undersigned also agrees that in the event of default by Site Developer under the Infrastructure Development Agreement or under the Assignment of Work Product, 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 including all services rendered on Site Developer's behalf.

Dated: _____, 2026

ARCHITECT:

Kennerly Architecture & Planning/SCB

By: _____

Name: _____

Title: _____

(signatures continue on following page)

ENGINEER:

By: _____

Name: _____

Title: _____

EXHIBIT I
Site Developer Fee Schedule

Site Developer Fee Disbursement Schedule		
Payment Milestone	% of Fee	Amount
At close of predevelopment financing	30%	\$15,000
Schematic design approval	30%	\$15,000
OCII approval of 50% construction documents	40%	\$20,000
Total Fee*	100%	\$50,000

**Future developer fee milestones to be determined.*