



118-2342024-002

Agenda Item **No. 5(b)**
Meeting of September 3, 2024

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Authorizing an Exclusive Negotiations Agreement and a Predevelopment Loan Agreement in an amount not to exceed \$5,111,731, with Mission Bay 4 East Associates, L.P., a California limited partnership, for the development of approximately 165 affordable rental housing units and for the initial predevelopment activities for additional units in a separate building at Mission Bay South Block 4 East; Mission Bay South Redevelopment Project Area

EXECUTIVE SUMMARY

Curtis Development (“CD”) and Bayview Senior Services (“BSS”), together the “Co-Developers” or “Sponsors” of a planned affordable housing development on Mission Bay South Block 4 East (the “Site” or “Block 4E”), are requesting approval for an Exclusive Negotiations Agreement (“ENA”) and a predevelopment loan of up to \$5,111,731. CD and BSS have proposed a development program for the Site that includes a total of approximately 400 units of affordable family rental housing (the “Project”).

Block 4E is an approximately one-acre parcel bounded by Mission Rock Street to the north, 3rd Street to the east, China Basin Street to the south, and an apartment complex known as “Strata at Mission Bay” to the west. The Project is being developed in two phases. The first phase, on the southern approximately one half of the Site, will provide 165 units of affordable housing, including two managers’ units, resident amenities and open space, approximately 1,500 square feet of ground floor commercial space, and related streetscape improvements (the “Phase 1 Project” located on the “Phase 1 Site”). A second phase, on the northern approximately one half of the Site, would provide approximately 235 units of affordable housing, including two managers’ units, resident amenities and open space, and related streetscape improvements (the “Phase 2 Site”). Housing units in

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the Project will be affordable to households earning 30-80% of area median income (“AMI”) as defined by the San Francisco Mayor’s Office of Housing and Community Development (“MOHCD”). A subset of units may be restricted up to 95% MOHCD AMI dependent on final financial sources. To the extent that rental or operating subsidies are available, the Co-Developers will seek funding to provide units affordable to households earning 0-30% of AMI. All units in the Phase 1 and 2 portions of the Project will be affirmatively marketed to and a preference will be provided to persons displaced by prior redevelopment action and their descendants (“Preference Holders”).

As discussed in the Informational Memorandum dated May 21, 2024 (Attachment 1), OCII issued a Request for Qualifications (“RFQ”) on November 9, 2023, to develop, own and operate affordable rental housing units, including units set aside (per policies of the City and County of San Francisco or the “City”) for households experiencing homelessness at the Site. Four teams responded to the RFQ in January 2024 and the following month OCII convened an evaluation panel. Based on the selection criteria set forth in the RFQ, the evaluation panel recommended the selection of the team led by CD and BSS with Y.A. studio as lead architect, and the John Stewart Company as property manager. The Sponsors have established Mission Bay 4 East Associates, L.P. as the development entity for the Phase 1 Project.

The Sponsors are seeking to enter into an ENA (Attachment 3) and a Predevelopment Loan Agreement (Attachment 4) of \$5,111,731 for all of the Phase 1 Project’s predevelopment and for preliminary design for the Phase 2 Site. The loan request was approved by the Citywide Affordable Housing Loan Committee (“Loan Committee”) on August 2, 2024, subject to certain terms and conditions contained in the attached loan evaluation (Attachment 2) and incorporated within the Predevelopment Loan Agreement. The requested funding amount is included in OCII’s fiscal year 2023-2024 Recognized Obligations Payment Schedule (“ROPS”) to the California Department of Finance, line number 436.

Staff recommends that the Commission authorize an Exclusive Negotiations Agreement and a Predevelopment Loan Agreement.

BACKGROUND

Mission Bay Affordable Housing Development

The Mission Bay South Project Area (“Project Area”) was established in 1998 with San Francisco Redevelopment Agency Commission and San Francisco Board of Supervisors approval of the Mission Bay South Redevelopment Plan (“Redevelopment Plan”) and Owner Participation Agreement (“OPA”). Both the Redevelopment Plan and OPA have been amended over time.

The Redevelopment Plan authorizes approximately 3,550 residential units to be constructed in the Project Area. Under the OPA, certain sites were pre-selected for the development of OCII-sponsored affordable housing (“Affordable Housing Parcels”). Affordable Housing Parcels comprise approximately 12 acres and are distributed throughout the Project Area. The OPA establishes that up to 1,218 units may be developed on the Affordable Housing Parcels. To date, OCII has completed 905 affordable units (including restricted units and manager’s units) and started construction on another 148 affordable units, for a total of 1,053 affordable units in the Project Area.

Due to Redevelopment Dissolution Law, the OCII housing funds authorized under the OPA for the remaining Affordable Housing Parcels, which consist of Block 4E (the subject of this memorandum) and Block 12 West, is currently limited to the development costs for 165 affordable units (1,218 units authorized under the OPA minus the 1,053 units complete or in progress). As previously presented to the Commission, OCII is pursuing an OPA amendment and, if necessary, a Redevelopment Plan amendment, to increase the OPA's allowed number of units and maximize the affordable housing development potential at the remaining Affordable Housing Parcels.

RFQ Summary

On November 9, 2023, OCII released an RFQ seeking a team to develop, own and operate affordable rental housing units, including units set aside for households experiencing homelessness, on Block 4E. The RFQ sought submittals from qualified teams comprised of a lead non-profit or for-profit developer, a non-profit co-developer, property manager, supportive services provider, and an architect. Applicants were also asked to identify a responsible party for implementing a Workforce and Contracting Action Plan ("WCAP"), either a representative from one of the developer organizations, or an outside consultant.

The RFQ asked that applicant teams submit qualifications to demonstrate the ability to produce a high-quality affordable housing project that maximizes affordable housing opportunities, provides high quality living environments, and specifically seeks to meet the housing needs of Preference Holders.

Notification of the RFQ was provided to the Council of Community Housing Organizations, community groups, developers, architects, property management companies, supportive service providers, contractors and other community stakeholders through OCII Citizens Advisory Committee ("CAC") and Small Business Enterprise ("SBE") email lists, and lists from MOHCD and the Department of Homelessness and Supportive Housing ("HSH"). The RFQ was also posted on OCII and City websites.

OCII received four submittals in response to the RFQ, and all were interviewed by an interdisciplinary evaluation panel. Qualifications were evaluated and scored using a matrix set forth in the RFQ. Based on scoring, the evaluation panel recommended the applicant team led by CD and BSS.

The Evaluation Panel noted that the submittal from CD and BSS included, among other things, a comprehensive vision and concept that prioritized Preference Holders through thoughtful design, and affirmative/targeted outreach, as well as a comprehensive assessment of the Project's financial feasibility while including the need for an expedited schedule, a diverse team, and a detailed WCAP.

Upon completion of the Project, OCII's assets related to Block 4E will be transferred to MOHCD, which is the designated Housing Successor Agency under Redevelopment Dissolution Law. MOHCD reviewed the RFQ, participated in the panel evaluation, and will also review and comment on the Project's financial underwriting and funding and disposition documents to ensure a smooth transition to MOHCD at project completion.

DISCUSSION

Development Program

The preliminary proposed Block 4E development program is outlined below:

Block 4E Development Program (Preliminary)			
	Total/Combined	Phase 1	Phase 2
Number of units	400	165	235
Unit types**	102 1-bed (25%) 197 two-bed (50%) 101 three-bed (25%)	43 one-bed* (26%) 80 two-bed (48%) 42 three-bed (25%)	59 one-bed* (25%) 117 two-bed (50%) 59 three-bed (25%)
Commercial	1,500 SF	1,500 SF	-
Population	Low- to moderate-income families, with approximately 20% of units set aside for formerly homeless families	Families: 30 - 80% AMI Formerly homeless families: 30 - 50% AMI	Families: 30 - 80% AMI Formerly homeless families: 30 - 50% AMI
Parking	83 spaces (vehicular parking for approx. 20% of units) Secured bicycle parking (for each building)	33 spaces	50 spaces
Resident amenities/ community spaces	Amenities to be determined throughout predevelopment and may include: <ul style="list-style-type: none"> • Open spaces and garden spaces • Community room with kitchen • Multi-purpose rooms (e.g., teen hangout, senior, homework, remote work, fitness, media room, playroom and outdoor play space for small children) • Property management and resident services offices • Generous lobbies with package lockers 		

* Phase 1 and Phase 2 include two (2) one-bedroom manager’s units per phase

** Sponsors will explore the possible inclusion of larger four-bed and five-bed units in Phase 2

As noted in the background section above, OCII development authority on Mission Bay South Affordable Housing Parcels is limited to 165 units under the OPA. The development program described above assumes that all remaining authorized units will be completed as part of the Phase 1 Project. Thus, development of the Phase 2 Site is subject to the requisite approvals to authorize an expansion of this development authority. Additionally, future permanent funding for a project on the Phase 2 Site would be subject to authority to fund Replacement Housing units under SB 593. SB 593 authorizes debt financing secured by redevelopment property tax increment that would otherwise be allocated to the City, after other existing obligations of OCII are paid, to fund and develop 5,842 units to replace units destroyed by the former San Francisco Redevelopment Agency. Since the approval of SB 593, OCII staff has sought the community’s and Commission’s input on its implementation. Funding additional housing in existing Project Areas, such as Mission Bay South, in which development opportunities exceed current OCII authority, has been identified as a priority. OCII staff is also working with the City on revenue estimates to determine the potential amount and timing of the first bond issuance.

Preliminary Design Concept

Preliminary massing envisions a building of approximately 13 stories on the Phase 1 Site at the corner of Third Street and China Basin Street, and a building of approximately 23 stories anchoring the corner of Third Street and Mission Rock Street on the Phase 2 Site, with open space connections between the buildings. While financing and construction will be phased, the designs will be closely coordinated to ensure a cohesive and complementary relationship between the two buildings with respect to design, programming and functionality. Throughout predevelopment and Site-wide design and planning, the Co-Developers will engage Preference Holders and review available Preference Holder data to determine housing needs and desires, and recommend a program and design that is responsive to these findings. Y.A. studio will continue to refine the basic concept design for the Project and will submit schematic designs for both phases for OCII and Commission review and approval.

The Sponsors and design team will refine the proposed height and massing, and present alternatives to OCII before finalizing a conceptual design. As a condition to the predevelopment loan, CD and BSS will further analyze development scenarios that balance unit mix, unit sizes, and financial sources including OCII subsidy.

Neighborhood Amenities and Transit Access

The Mission Bay neighborhood is rich in amenities. There are numerous retail outlets within walking distance of Block 4E or reachable by a short bicycle ride or Muni (see Attachment 5 for an amenity map). Two pharmacies, the San Francisco Public Library-Mission Bay, and two supermarkets and restaurants are located within half a mile of Block 4E.

The Project Area includes several new parks including Mission Creek Park, Channel Street Dog Park, Mission Bay Kids' Park, Mission Bay Commons, and Bay Front Park from which the San Francisco Bay Trail can be accessed.

Block 4E is well served by local and regional transit. Block 4E is adjacent to the southbound T-Third Mission Rock MUNI stop with connections to regional transit as well as local bus connections to neighborhoods throughout San Francisco.

Marketing and Leasing Preferences

Tenants in the approximately 80 units set-aside to serve families experiencing homelessness will be referred to the Project by HSH through the Coordinated Entry System. All remaining affordable units will be marketed and leased through early outreach to Preference Holders, broad marketing and outreach, and applications and a lottery through the MOHCD DAHLIA digital housing portal system.

Prospective tenants will be prioritized in accordance with preferences established in City Affordable Housing Programs (as approved by the Commission in April 2019), as amended from time to time. The preferences applicable to Block 4E are:

1. Preference Holders (including descendants)
2. Displaced Tenant Preference Program (20% of lottery units)
3. Neighborhood Resident Housing Preference (25% of lottery units if State funding, increases to 40% if there is no State funding)
4. San Francisco residents or workers

The Sponsors will be required to provide early outreach and marketing plans that describe specific efforts to engage preference program participants.

Exclusive Negotiations Agreement

The ENA establishes development expectations for Block 4E as a whole, including the overall development program and key milestones. The ENA enables the Sponsors to pursue predevelopment activities leading to the execution of two long-term ground leases for each Phase 1 Site and Phase 2 Site. Per the ENA, the Sponsors have paid to OCII the cash sum of \$1,000 as an earnest money deposit. An additional \$9,000 will be due to OCII at the time of the execution of the ENA. The total \$10,000 is considered the Performance Deposit, which will be held by OCII until construction completion.

The term of the ENA is through September 3, 2027. The ENA allows for extension of up to 12 months for Phase 1 and 24 months for Phase 2, subject to approval by the Executive Director, in the event the Project incurs unexpected delays. The ENA acknowledges that any extension of the ENA beyond the expiration of the Redevelopment Plan may be subject to other approvals, including, but not limited to, amendments to the Redevelopment Plan and the OPA, and that these approvals are subject to Commission approval.

The Block 4E ENA defines a series of milestones that if met the OCII Executive Director has the discretion to enter into two separate options to ground lease (“Option to Ground Lease”) for the Phase 1 and Phase 2 Sites, (the form of the Option to Ground Lease is included as an attachment to the ENA). With further Project progress and subject to Commission approval, the Option to Ground Lease can result in the execution of two separate ground leases with OCII, one for the Phase 1 Site and one for the Phase 2 Site (“Ground Leases”). The ENA milestones include:

- Submittal of conceptual, schematic, and design development documents and cost estimates;
- Submittal of a subdivision map application;
- Execution of the Option to Ground Lease in preparation for financing applications; and
- Execution of Ground Leases.

The development schedule anticipates that the Phase 1 Project and a potential project on the Phase 2 Site would begin construction one year apart. Milestone timeframes are commensurate with this approach for each of the respective phases.

Predevelopment Loan Agreement

On August 2, 2024, Loan Committee approved the Sponsors' predevelopment loan request for \$5,111,731 for Phase 1 and Partial Phase 2 (Attachment 2). The loan funds will allow the Sponsors to work with the architect and other consultants to develop the Phase 1 design to construction drawings and permits and the Phase 2 design to 75% schematic design, and will fund survey and engineering work, legal costs, due diligence studies, and developer fees.

The Sponsors anticipate requesting additional predevelopment funds for the Phase 2 Site in summer 2025. At that time the initial loan funds (requested herein), will be allocated between Phase 1 and Phase 2 as appropriate, with any costs attributable to Phase 2 assigned and assumed under a separate Phase 2 predevelopment loan agreement, subject to future review and approval by Loan Committee and Commission. The predevelopment loans will convert to permanent loans at the close of construction financing for each respective project, subject to future Loan Committee and Commission approval.

The predevelopment loan bears 3% simple interest. The Predevelopment Loan Agreement includes the following key conditions (Please see Attachment 2, Section 11.2 for a full list of conditions):

1. Sponsors must maintain an accurate accounting of expenses related to each phase and for shared expenses. Sponsor will prepare and submit a reconciliation report of costs and expenses attributable to each phase for future allocation between Phase 1 and Phase 2 predevelopment loans and related disbursement tracking sheets.
2. Sponsors will submit a written plan to secure construction and permanent financing with commitment(s) from a financial guarantor(s) or partner(s) as necessary for Phase 1, prior to Phase 1 schematic design approval, and, for Phase 2, prior to Phase 2 schematic design approval.
3. Sponsors must work with OCII staff on determining and maintaining a unit mix as stated in the RFQ of 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units to serve the needs and desires of Preference Holders and will explore larger four-bedroom and five-bedroom units for Phase 2.
4. In collaboration with OCII, Sponsors, as lead, must engage and assess Preference Holders needs regarding AMI levels, program needs/desires, and provide an analysis to OCII in addition to proposed income tiering and program elements/design features that aim to address Preference Holders expressed statements throughout predevelopment.
5. Sponsors will provide a detailed plan for long-term asset management prior to gap financing for OCII and MOHCD review and approval that includes future third-party asset management or future in-house staffing regarding portfolio description, scope and range of duties of staff, and coordination with other functional teams, including property management, accounting, compliance and facilities management.

Equal Opportunity Program and Compliance with OCII Policies

The Sponsors are required to comply with OCII's Nondiscrimination in Contracts, Minimum Compensation and Health Care Accountability policies, and will work closely with contract compliance staff to comply with the SBE Program on this Project.

The Sponsors will strive to meet OCII's goal of 50% SBE participation in the selection of consultants and subconsultants during predevelopment. In addition, OCII will require that approximately 35% of the architectural scope be contracted to an associate architect. SBE architects will be prioritized for this role, which is intended to provide smaller firms with experience on a large complex project.

During the construction phase, the Sponsors will use good faith efforts to meet OCII's requirements and goals which include the 50% SBE construction subcontracting participation goal, payment of prevailing wages, and the 50% local construction workforce hiring goal. In its competitive selection of a general contractor, the Sponsors will evaluate the possibility, to the extent practicable and economically feasible, of requiring a joint venture or similar partnership opportunity between the general contractor and an OCII-recognized SBE contractor looking to build capacity.

Community Outreach

OCII staff initially presented the RFQ to the Mission Bay Citizens' Advisory Committee ("MB CAC") and to the Council of Community Housing Organizations, a nonprofit coalition of community-based housing developers, in September 2023 prior to RFQ issuance.

A member of the MB CAC participated in the Evaluation Panel to recommend developer team selection. OCII staff presented an update on the selection process and the recommended developer to the MB CAC on May 9, 2024, and the MB CAC had no objections. The Sponsors will return to the MB CAC to present the recommended concept design for Block 4E (anticipated in fall 2024) and will return again to seek approval of the Project's schematic design (anticipated in spring 2025).

In addition, as noted in the loan conditions, the Sponsors will engage the Preference Holder community throughout predevelopment to determine needs and preferences and seek feedback on design and programming. The Sponsors will also reach out to neighborhood groups, neighboring homeowner associations, and others.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

Authorizations of the ENA and of the Predevelopment Loan Agreement are statutorily exempt from CEQA under CEQA Guidelines Section 15262 since they involve only feasibility and planning studies for possible future actions that the Agency has not yet approved.

NEXT STEPS

The Sponsors and architects will work on a conceptual design through fall 2024 and anticipate seeking Commission approval of a Phase 1 schematic design in summer 2025 along with a potential request for additional predevelopment funding for a project on the Phase 2 Site. In 2025, the architects will prepare design development and construction documents, and the Sponsors will pursue funding sources. OCII staff anticipates returning to Commission in late 2026 to seek approval for permanent loans and long-term ground leases for Phase 1. Construction start is currently estimated in winter 2027 and completion in late summer or early fall 2029.

(Originated by Phillip Wong, Development Specialist)

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Thor Kaslowsky
Executive Director

- Attachment 1: OCII Commission Memorandum - Mission Bay South Block 4E Evaluation Panel Recommendation, May 21, 2024
- Attachment 2: Loan Evaluation – August 2, 2024
- Attachment 3: Exclusive Negotiations Agreement
- Attachment 4: Predevelopment Loan Agreement
- Attachment 5: Location Map



118-2202024-002

Agenda Item **No. 8(b)**
Meeting of May 21, 2024

INFORMATIONAL MEMORANDUM

TO: Commission on Community Investment and Infrastructure

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Evaluation panel recommendation of a team led by Curtis Development to develop, own, and operate affordable housing mixed use projects on Mission Bay South Block 4 East; Mission Bay South Redevelopment Project Area

Through a Request for Qualifications (“RFQ”) process, OCII recently offered Mission Bay South Block 4 East (“Block 4E”), an Affordable Housing Parcel within the Mission Bay South Redevelopment Project Area (“Project Area”), for affordable housing development. Block 4E is an approximately 45,655 square foot rectangular site bounded by Mission Rock Street to the north, 3rd Street to the east, China Basin Street to the south, and a residential development fronting 4th Street to the west on Block 4 West.

OCII released the RFQ to the development community in November 2023 and received four responses in January 2024. Staff convened an interdisciplinary evaluation panel in February 2024, and based on the results of the panel, staff recommends the selection of the applicant team comprised of (the “Developer” or “Curtis and BSS”):

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MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Dr. Carolyn Ransom-Scott
Vanessa Aquino
Tamsen Drew
Kent Lim
COMMISSIONERS

- Curtis Development as Lead Developer,
- Bayview Senior Services as Co-Developer and Services Provider,
- Y.A. studio as Lead Architect,
- The John Stewart Company as Property Manager, and
- Davis & Associates Communications, Inc. as workforce and contracting representative.

Staff anticipates returning to the Commission in summer 2024 to request authorization to enter into an exclusive negotiations agreement (“ENA”) and predevelopment loan agreement (“Predevelopment Loan”) with the Developer consistent with the funding estimates included in ROPS 23-24 line item number 436.’

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BACKGROUND

Project Area Background

The Mission Bay South Project Area (“Project Area”) was established in 1998 with San Francisco Redevelopment Agency Commission and San Francisco Board of Supervisors approval of the Mission Bay South Redevelopment Plan (“Redevelopment Plan”) and Owner Participation Agreement (“OPA”). Both the Redevelopment Plan and OPA have since been amended.

The Redevelopment Plan authorizes approximately 3,550 residential units to be constructed in the Project Area. Under the OPA, certain sites were pre-selected for the development of OCII-sponsored affordable housing (“Affordable Housing Parcels”). Affordable Housing Parcels comprise approximately 12 acres and are distributed throughout the Project Area. The OPA establishes that up to 1,218 units may be developed on these sites. To date, 905 units have been completed on Affordable Housing Parcels (including affordable units and manager’s units), and another 148 are under construction (on Block 9a), for a total of 1,053 units.

Development on the remaining Affordable Housing Parcels, which consist of Block 4E (the subject of the RFQ) and Block 12 West, is currently limited to 165 units (1,218 units authorized under the OPA less 1,053 units complete or in progress). As previously presented to the Commission, OCII may consider pursuing an OPA amendment and, if necessary, a Redevelopment Plan amendment, to increase the allowable number of units and fully build out projects at the remaining Affordable Housing Parcels.

DISCUSSION

RFQ Summary

Following an informational memorandum to the Commission on November 7, 2023, OCII released an RFQ on November 9, 2023, seeking a team to develop, own and operate affordable rental housing units, including units set aside for households experiencing homelessness on Block 4E. Notification of the RFQ was provided to community groups, developers, architects, property management companies, supportive service providers, contractors and other community stakeholders through OCII Citizens Advisory Committee (“CAC”) and Small Business Enterprise (“SBE”) email lists, and lists from the Mayor’s Office of Housing and Community Development (“MOHCD”) and Department of Homelessness and Supportive Housing (“HSH”). The RFQ was also posted on OCII and City websites.

The RFQ sought submittals from qualified teams comprised of a lead non-profit or for-profit developer (“Lead Developer”), a non-profit co-developer (“the “Co-Developer”, the Lead Developer and Co-Developer together are the “Developers”), property manager, supportive services provider, and an architect. Applicants were also asked to identify a responsible party for implementing a Workforce and Contracting Action Plan (“WCAP”), either a representative from one of the Developer organizations, or an outside consultant. All other consultants will be selected in accordance with the OCII’s SBE Policy (as further discussed below).

Block 4 East Development Program/Requirements

The RFQ asked that applicant teams submit qualifications to demonstrate the ability to produce a high-quality affordable housing project that maximizes affordable housing opportunities, provides high quality living environments, and specifically seeks to meet the housing needs of persons displaced by prior redevelopment action and their descendants (“Preference Holders”). The RFQ described the following preliminary development program for Block 4E:

Block 4 East Development Program Summary	
Target population	<ul style="list-style-type: none"> • Preference Holders • Low-income families • Approx. 20% of units designated for households experiencing homelessness
Number and type of units	Up to 165* high quality units with a target mix of: <ul style="list-style-type: none"> • 25% one-bedroom • 50% two-bedroom • 25% three-bedroom
Area Median Income (“AMI”) and rent restrictions	Tiered income levels targeted to meet the needs of preference populations, including Preference Holders, at up to 80% MOHCD AMI, provided that the average AMI for all affordable units is at or below 60% AMI in accordance with the Mission Bay Housing Policy
Commercial	Ground floor space for community or neighborhood serving commercial use
Parking	Vehicle: provide resident parking to the extent financially feasible Bicycle: Class I bicycle parking spaces at a target ratio of 1 space for every 2 units

** As noted in the background section above, OCII is limited to 165 units under the OPA. OCII’s development authority may be expanded, and the number of affordable units on Block 4E may be increased and the site may be developed in one or more buildings and/or phases.*

Applicant teams were required to provide a qualifications submittal package that clearly articulated their vision for the Project, approach to key aspects of development, described the roles and responsibilities of team members, and highlighted the relevant experience and capacity of each Applicant team member.

Applicant Teams

OCII received four (4) submittals, all of which met the minimum threshold for completeness. The submittals are as follows (in alphabetical order):

- Curtis Development as lead developer and Bayview Senior Services as co-developer
 - Architect: Y.A. studio
 - Property Manager: The John Stewart Company (“JSCo”)
 - Services Provider: BSS
 - Workforce Representative: Davis & Associates Communications, Inc.

- Mercy Housing California (“MHC”) as lead developer with Booker T. Washington Community Service Center (“BTWCSC”) as co-developer; and Tenderloin Neighborhood Development Corporation (“TNDC”) as lead developer with Young Community Developers (“YCD”) as co-developer
 - Architect: Kennerly Architecture & Planning, Inc.
 - Property Manager: TNDC and MHC
 - Services Provider: TNDC and MHC
 - Workforce Representative: Monte Wilson and YCD

- Related California (“Related”) as lead developer and Bernal Heights Neighborhood Center (“BHNC”) as co-developer
 - Architect: Mithun
 - Property Manager: Related Management Company
 - Services Provider: Lutheran Social Services
 - Workforce Representative: TBD, intended to procure if selected

- San Francisco Housing Development Corporation (“SFHDC”) as lead developer and MidPen as co-developer
 - Architect: David Baker Architects
 - Property Manager: MidPen Property Management Corporation
 - Services Provider: SFHDC and MidPen Resident Services Corporation
 - Workforce Representative: SFHDC, potential for consultant support

All four (4) teams were interviewed by the evaluation panel on February 21, 2024.

Evaluation Process and Criteria

The qualifications applications were reviewed by each member of the evaluation panel in advance of the Applicant interviews, which were held on February 21, 2024. The 8-person evaluation panel consisted of representatives from the Mission Bay CAC, MOHCD, HSH, the OCII housing team, the OCII Mission Bay Project Area management team, and the OCII planning and design review team. OCII contract compliance team participation also ensured compliance with this RFQ’s procedural guidelines and provided analysis of the WCAP sections of each submittal.

Evaluation criteria emphasized OCII’s expectations regarding diversity and racial equity in all aspects of the Project, engagement with Preference Holders throughout the Project’s development with the goal of successfully housing as many Preference Holders as possible, a thoughtful approach to SBE participation, and the ability to secure financing to deliver the Project on an expedited development schedule. Qualifications were evaluated using the scoring matrix set forth in the RFQ, summarized as follows:

Maximum Points	Criteria
30	Development Vision
10	Development approach:
5	Design approach
5	Property management approach
5	Supportive services approach
5	Marketing approach
70	Team Experience and Capacity
10	Applicant team composition and structure
10	Lead Developer experience and capacity
10	Co-Developer experience and capacity
10	Architect experience and capacity
10	Equal Opportunity Program/Workforce and Contracting Action Plan
10	Services provider experience and capacity
10	Property Manager experience and capacity
100	Total Points

Scoring Results

Based on scoring, the evaluation panel recommended the applicant team led by Curtis and BSS. Scoring for each of the submittals is as follows (in alphabetical order):

Applicant Team	Total Score	Average Score
Curtis/BSS	622	78
MHC/BTWCSC/TNDC/YCD	581	73
Related/BHNC	544	68
SFHDC/MidPen	532	67

The Curtis/BSS proposal strengths include:

- **Vision/Concept:** The team's vision for Block 4 East emphasized a vibrant, multi-generational community in a "village" concept with an approach rooted in responsiveness to the Preference Holder community. Design will prioritize resident well-being through thoughtful amenities that enhance livability and facilitate connections. Features and open spaces will include elements intended to serve residents of a wide variety of ages and interests.
- **Developer Partnership:** The proposed partnership has a 75%/25% ownership split (Curtis at 75% and BSS at 25%). Curtis and BSS will form a limited partnership to function as the development and ownership entity wherein BSS will function as the Managing General Partner and Curtis will function as the Administrative General Partner. Both Developers will be bringing on additional staff to build capacity to support the focused and efficient development of Block 4E. Curtis will lead day-to-day predevelopment and development, prepare financial applications and oversee workforce, Equal Opportunity Programs and Workforce and Contracting Action Plan compliance. BSS will lead outreach for any necessary entitlement activities, identify and locate Preference Holders, lead Preference Holder engagement, oversee prospective household readiness, provide project-wide resident services, and will collaborate with JSCo on marketing and lease-up.
- **Developer Experience:** Curtis possesses extensive experience in developing affordable housing projects with notable recent projects including 921 Howard Street, 203 affordable rental units, with TNDC, and 400 China Basin Condominiums, 148 affordable homeownership units, with Michael Simmons Property Development. Overall, Curtis has developed over 20 infill projects, 14 of which are located in San Francisco. BSS has executed successful partnerships with many for-profit developers such as McCormack Baron Salazar, L+M Development, Jonathan Rose Companies and The John Stewart Company, and is the Managing General Partner on four developments, including providing supportive services in 5 completed projects with two more in development.
- **Financing Plan and Expedited Schedule:** The qualifications submittal emphasized feasibility and outlined an expedited schedule while maintaining appropriate levels of community engagement. Curtis brings extensive experience and knowledge of public funding sources and how to successfully apply for competitive public financing. The submittal emphasized Curtis' ability to manage design to a budget and control costs while preserving high-quality design and resident experience equivalent with market-rate standards, for example, through the use of cost-saving elements such as pre-cast finish elements, modular bathrooms, and mirrored floor plans across the site.
- **Diversity, Equity and Inclusion:** The team is diverse with a demonstrated commitment to creating meaningful opportunities for people of color both in their respective organizations and in housing. Curtis, BSS, Y.A. studio, and Davis & Associates are BIPOC-led organizations. Curtis intends on hiring a staff member and an intern to support the development of Block 4E,

and BSS hires from the Bayview Community and is committed to hiring housing staff to build long-term development capacity. Y.A. studio demonstrated a commitment to mentorship and training opportunities for employment, and growth into a lead architect role.

- **Architectural Experience:** Y.A. studio is an award-winning firm that has served as associate architect on a number of OCII and MOHCD projects, including Mission Bay South Blocks 9 and 9A and Transbay Block 8. With experience with OCII project areas and design review procedures, they are well prepared to collaborate with OCII on massing concepts that maximize the site's potential, complement surrounding architecture, address the Mission Bay South Design for Development guidelines, and are financially feasible.
- **Preference Holder Outreach:** Curtis and BSS demonstrated a thorough understanding of the Preference Program and its history. BSS has a track record of success in identifying and housing Preference Holders. BSS is committed to building relationships with Preference Holder households and maintains an in-house Preference Holders database. The Developers will engage Preference Holders throughout the development process to identify and address needs and ensure that the built project is desirable and welcoming.
- **Workforce and Contracting Action Plan:** The submittal included detailed WCAP that outlines strategies to meet or exceed OCII's workforce and contracting goals and programs. Davis & Associates, Inc. has extensive experience engaging with SBE contractors and professional service firms and proposed providing a robust outreach and implementation strategy that focused on outreach and communication, building upon new and existing relationships with local organizations, identifying and addressing barriers to SBE participation, and thoughtfully identifying opportunities to unbundle scope to maximize opportunities.

In addition to scoring pursuant to the matrix described above, staff considered the requirement in the Mission Bay Affordable Housing Policy (adopted by the San Francisco Redevelopment Agency Commission on September 17, 1998 (Resolution No. 194-98)) that preference be given to non-profit housing development corporations headquartered in San Francisco. Applicants that include a Lead Developer who is a for-profit entity must establish that the activities and purpose of the Lead Developer's partnership with the non-profit Co-Developer is primarily to construct and develop affordable housing units in furtherance of the non-profit organizations' purposes and only incidentally to further the for-profit purposes of the for-profit entity, in accordance with the definition of "Qualified Housing Developer" in Attachment C of the Mission Bay South OPA.

While Curtis, a SF-based woman and minority-owned SBE, is not a non-profit organization, staff determined that the team met the requirement to be considered a Qualified Housing Developer. The purpose and activities under the Curtis/BSS partnership is for the sole purpose of developing affordable housing units. As noted above, BSS, a San Francisco-based non-profit organization will be the managing general partner of the organization established for housing development on Block 4E.

CONTRACTING AND WORKFORCE HIRES

The selected team will be required to perform extensive good faith efforts to include SBEs in the performance of any agreement resulting from the RFQ and any subsequent agreements between the development team and its contractors or consultants as required by OCII's SBE Policy, with the goal of achieving at least 50% SBE participation with first consideration to local firms . The team will also comply with OCII's Construction Workforce Requirements to ensure that all contractors/subcontractors demonstrate good faith efforts to meet OCII's workforce hiring goal of 50% for San Francisco residents.

In addition, the selected team will be expected to create a meaningful associate architect opportunity for a San Francisco-based SBE, even though the primary architect is a SF-based minority-owned SBE. The selected general contractor will be strongly encouraged to create a joint venture or similar partnership relationship with a San Francisco-based SBE contractor(s) looking to gain experience in that role.

COMMUNITY OUTREACH

Staff informed the Mission Bay community of its intent to issue an RFQ through engagement with the CAC. The CAC has been provided with regular updates, including a presentation outlining the RFQ in September 2023. The recommended development team also presented to the CAC at its May 9, 2024 meeting. In addition, staff discussed the RFQ at the September 2023 meeting of the Council of Community Housing Organizations, a nonprofit coalition of community-based housing developers.

Staff and the development team will continue outreach to the community through the CAC throughout the development process.

NEXT STEPS

In summer 2024 staff will request the Commission's authorization for a Predevelopment Loan and ENA.

(Originated by Phillip C. Wong, Development Specialist)

Thor Kaslofsky
Executive Director

Attachment A: Mission Bay South Project Area Map
Attachment B: Mission Bay South Block 4 East Request for Qualifications

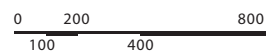
Attachment A: Mission Bay Map



- LEGEND:**
- Public Facility
 - Parks
 - Residential / Market Rate
 - Residential / Affordable
 - Hotel
 - Commercial
 - UCSF
 - UCSF Commercial

MISSION BAY LAND USE MAP

December 2019





Housing Development

Request for Qualifications

To develop, own and operate affordable rental housing units, including units set aside for households experiencing homelessness at:

Mission Bay South Block 4 East

(located between Mission Rock Street, China Basin Street, 3rd Street, and Block 4 West)

Block 8711, Lot 029

Mission Bay South Redevelopment Project Area

Deadline for Submission
4:00 p.m. – January 19, 2024

Issued by:

Office of Community Investment and Infrastructure
One South Van Ness Avenue, Fifth Floor
San Francisco, CA 94103

Contact: Kim Obstfeld

Email: kimberly.obstfeld@sfgov.org



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SECTION I. SUMMARY

The Office of Community Investment and Infrastructure (“OCII”), acting as the successor agency to the San Francisco Redevelopment Agency (“SFRA”), is seeking qualifications from eligible applicants to develop, own, and operate affordable rental housing that serves low-income families and households experiencing homelessness on Mission Bay South Block 4 East in the Mission Bay South Redevelopment Project Area (“Project Area”).

An applicant (“Applicant”) is defined as a team comprised of *only* the following:

- A lead non-profit or for-profit developer that meets the definition of Qualified Housing Developer under the Mission Bay South Housing Program of the Mission Bay South Owner Participation Agreement (“Lead Developer”);
- A non-profit co-developer (the “Co-Developer”, the Lead Developer and Co-Developer together are the “Developers”);
- A property manager (the “Property Manager”);
- A supportive services provider (the “Supportive Services Provider”); and
- A lead architect (the “Architect”).

As required by the Mission Bay Affordable Housing Policy, adopted by the San Francisco Redevelopment Agency Commission on September 17, 1998 (Resolution No. 194-98), preference will be given to non-profit housing development corporations headquartered in San Francisco. Applicants that include a Lead Developer who is a for-profit entity must establish that the activities and purpose of the Lead Developer’s partnership with the non-profit Co-Developer is primarily to construct and develop affordable housing units in furtherance of the non-profit organizations’ purposes and only incidentally to further the for-profit purposes of the for-profit entity, in accordance with the definition of “Qualified Housing Developer” in Attachment C of the Mission Bay South Owner Participation Agreement. **The selected Applicant will be required to select its other consultants and contractors in accordance with the OCII’s Small Business Enterprise (“SBE”) Program.**

The subject property of this Request for Qualifications (“RFQ”) is Assessor’s Parcel Number 8711/029 (Mission Bay South Block 4 East), which is an approximately 45,655 square-foot rectangular site bounded by Mission Rock Street to the north, 3rd Street to the east, China Basin Street to the south, and an existing development, Strata at Mission Bay Apartments, to the west (“Block 4E” or the “Site”). The Site dimensions are approximately 275 feet along 3rd Street, and approximately 166 feet along China Basin and Mission Rock Streets.

A summary of the programming anticipated for the Site is provided in the table below. As further discussed herein, creating housing opportunities for persons displaced by SFRA action and their descendants, “Preference Holders”) is OCII’s highest priority in determining the development program. The selected Applicant will be expected to meaningfully engage with Preference Holders and optimize program elements, to the extent feasible, to facilitate Preference Holder occupancy. Additional information regarding project elements and design standards can be found in Section III Development Program in this RFQ.

Block 4E Program Summary	
Target population	Preference Holders, especially those displaced by SFRA, low-income families, with approximately 20% of units designated for households experiencing homelessness
Number of units	Up to 165*
Unit types	Family units with a target mix of: <ul style="list-style-type: none"> • 25% one-bedroom • 50% two-bedrooms • 25% three-bedrooms
Area median income (AMI) and rent restrictions	Tiered income levels targeted to meet the needs of Preference Holders, at up to 80% MOHCD AMI, provided that the average AMI of all affordable units is at or below 60% AMI in accordance with the Mission Bay Housing Policy further described in Section II.A.3.

Commercial	Ground floor space for community or neighborhood serving commercial use(s)
Parking	<ul style="list-style-type: none"> • Vehicle: provide resident parking to the extent financially feasible • Bicycle: Class I bicycle parking spaces at a target ratio of 1 space for every 2 units

* As further described herein, OCII’s development authority is limited to 165 units. OCII is amenable to pursuing additional affordable units on one or more buildings on Block 4E pending requisite approvals to increase OCII authority.

Block 4E is part of the 238-acre Mission Bay South redevelopment project area that was administered by the former SFRA. Pursuant to state law, redevelopment agencies throughout the State of California were eliminated on February 1, 2012, California Health and Safety Code §§34170 et seq (the “Redevelopment Dissolution Law”). OCII is the Successor Agency to the SFRA and is responsible for implementing SFRA’s enforceable obligations. On January 24, 2014, the California Department of Finance determined “finally and conclusively” that the Mission Bay South Owner Participation Agreement by and between the former SFRA and Catellus Development Corporation, as amended (“OPA”), its Housing Program (Attachment C to the OPA), and tax allocation pledge agreement are enforceable obligations under Redevelopment Dissolution Law. Furthermore, state law recognizes that the amount of affordable housing authorized under the OPA is an enforceable obligation for which OCII may use tax increment financing as provided under the Redevelopment Dissolution Law (California Health and Safety Code §34177.7).

The Redevelopment Plan and related documents continue to govern the development of the Project Area. OCII will select the development team and issue all project approvals for Block 4E. Upon completion of the Project, OCII’s assets related to the Site will be transferred to the Mayor’s Office of Housing and Community Development (“MOHCD”), which is the designated Housing Successor under Redevelopment Dissolution Law. MOHCD will therefore participate in the selection of the development team and will review and comment on the Project’s financial underwriting and funding, and disposition documents to ensure a smooth transition to MOHCD after completion.

The OPA Housing Program designates sites for the development of OCII-sponsored affordable housing projects and establishes a maximum number of affordable units (1,218) that may be developed. The SFRA and OCII have developed most of the affordable units and OCII only has authorization to develop the remaining balance of 165 units. However, in furtherance of Citywide housing production goals and in acknowledgement that there may be capacity for additional affordable units on Block 4E and on other Mission Bay Sites, OCII may pursue amendments to the OPA and the Redevelopment Plan, if necessary, to increase the allowable number of units on Block 4E. Any such amendments would be subject to the consent of FOCIL-MB LLC (successor in interest to Catellus Development Corporation and “Master Developer”). **Applicants are advised that OCII reserves the right to modify the development program on Block 4E. Modifications may include, but are not limited to, an increase in the number of affordable units, and the delivery of additional units in more than one distinct building and phase. Prospective Applicants should prepare to be flexible and collaborative in working with OCII to establish a program that maximizes the delivery of high-quality affordable housing units on the Site with the specific goal of maximizing housing opportunities for Preference Holders.**

The Redevelopment Plan is subject to a 30-year term and will expire in 2028. Thus, time is of the essence in developing the Project. Applicants should carefully consider their capacity to devote sufficient resources to the Project to meet an expedited development schedule prior to submitting qualifications.

The OCII Executive Director will recommend an Applicant for the OCII Commission’s consideration after receiving the evaluation results of an interdisciplinary panel comprised of representatives from OCII, MOHCD, the Department of Homelessness and Supportive Housing (“HSH”), and the Mission Bay Citizens Advisory Committee (“CAC”). The panel will evaluate the Applicant’s demonstrated successful experience on relevant and comparable projects, vision for the Project, approach to Preference Holder engagement, and capacity to meet the Project schedule. The CAC will review the panel’s evaluation and will also make a recommendation.

The Executive Director is not required to recommend the Applicant receiving the panel’s highest ranking or evaluation and may make a recommendation to the Commission based on other factors, including, but not limited to, the fulfillment of OCII policy and the Applicant’s history of uncured defaults, if any, related to prior OCII, SFRA, or MOHCD agreements. For example, OCII may, in its sole discretion, disqualify any Developers and/or Architect or other personnel if they have failed to comply with any OCII, SFRA, or MOHCD agreement or if they are not in

good standing with OCII/MOHCD in relation to the current OCII/MOHCD marketing standards applicable to existing projects. The OCII Commission has the sole discretion, at a public hearing, to make the final selection.

Applicants are advised that OCII is committed to promoting opportunities for SBEs and the local workforce in the contracting process and to ensuring the payment of prevailing wages. Upon selection of an Applicant, OCII will seek to enter into an exclusive negotiation agreement with the selected Developers.

A. Important Dates and Submission Process¹

1. Issue Date: RFQ available on the OCII website at: https://sfocii.org/rfps-rfqs-bids , registration opens	November 9, 2023
2. Pre-Submission Meeting (Video call: register through Eventbrite to receive meeting link)	9:30 a.m. November 30, 2023
3. Deadline for written questions / requests for additional information	5:00 p.m. December 5, 2023
4. QUALIFICATIONS SUBMISSION DEADLINE	4:00 p.m. JANUARY 19, 2024
5. Notification to Applicants who failed to meet minimum submission requirements	February 5, 2024
6. Applicant interviews (may be in person or via video call)	Week of February 19, 2024
7. Qualifications evaluated and ranked by Evaluation Panel	
8. Presentation of Panel’s Selection to Mission Bay Citizens Advisory Committee	April 11, 2024
9. OCII Commission consideration of Executive Director’s recommendation of Applicant selection, Exclusive Negotiations Agreement, and predevelopment loan	May 7, 2024

B. Pre-Submission Meeting

A pre-submission meeting will be held as a video call on the date and time shown above in Section I.A. The purpose of the meeting is to ensure that all potential Applicants understand the minimum qualifications requirements and the selection process. Although attendance is not mandatory, it is highly recommended. Please register through [Eventbrite](#) by 3:00 PM on November 29, 2023. Prior to the meeting, all prospective Applicants registered for the meeting event through Eventbrite will receive a link to the video call. Please note that registering for the pre-submission meeting does not constitute registration as an Applicant under this RFP as described in Section D below.

C. Questions and Requests for Additional Information

Please submit all questions and information requests to the attention of the contact person listed on the cover page of this RFQ. All questions and requests for additional information regarding this RFQ must be received **in writing** by OCII (via mail or e-mail) – *on or before* – the time and date as shown above, in Section I.A. Questions received after the deadline may not be answered. All responses and additional information will be distributed via e-mail to all registered parties. OCII reserves the right, in its sole discretion, to determine the timing and content of the response, if any, to all questions and requests for additional information.

¹ All dates and times subject to change.

D. RFQ Registration

Responses to this RFQ will be accepted only from those Applicants who have registered with OCII. Only registered Applicants will receive answers to submitted questions and additional information as described above. To register, e-mail Kimberly.obstfeld@sfgov.org with the following information:

1. Organization (registered party may be a Developer, Co-Developer, Architect, Property Manager, or Services Provider. Note, however, that only one registration is needed per Applicant team)
2. Name of contact person
3. E-mail address for contact person
4. Phone number for contact person

E. Qualifications Submission Time and Date

Electronic qualifications submittals must be uploaded by the date and time shown below. Registered Applicants will receive submittal instructions, including a OneDrive link to upload submittal materials.

Electronic Submittal Deadline: January 19, 2024 at 4:00 p.m.

Via OneDrive link provided to registered Applicants

SECTION II. BACKGROUND

A. Project Area Overview

The Site is located in the Mission Bay South Redevelopment Project Area (“Project Area”). OCII’s website (<http://sfocii.org/mission-bay>) provides links to the following Project Area documents that should be reviewed and considered as Applicants develop their vision for the Site:

- Redevelopment Plan
- Design for Development
- Mission Bay South Design Review and Document Approval Procedure
- Mission Bay South Signage Master Plan
- OPA and amendments
- Final Mission Bay South Subsequent Environmental Impact Report (“EIR”) and addenda
- Mission Bay Risk Management Plan

Much of the development anticipated under the Redevelopment Plan is complete or has been initiated and Mission Bay South has successfully transformed from industrial uses to a thriving mixed-use community. The neighborhood features a variety of uses including housing, retail, parks and open spaces, office and medical facilities, a public school (under construction, expected to open for the 2025-26 school year), the Chase Center, and a public safety building that houses police headquarters and local police and fire stations.

1. Affordable Housing Development

The Redevelopment Plan authorizes approximately 3,550 residential units to be constructed within the Project Area. Under the OPA, parcels designated for OCII-sponsored affordable housing (“Affordable Housing Parcels”) were pre-selected and comprise approximately 15 acres distributed throughout the Major Phases in the Project Area. The OPA establishes that up to 1,218 units may be developed on Affordable Housing Parcels.

To date, 905 units have been completed on Affordable Housing Parcels (including affordable units and manager’s units), and another 148 are under construction (on Block 9a), for a total of 1,053 units. The chart below summarizes the affordable housing units built or under construction on OCII Affordable Housing Parcels in Mission Bay.

Project Area Affordable Housing Parcels Completed or in Development

Site	Address	# of Units	Housing Type	Year Completed
------	---------	------------	--------------	----------------

Block 13 East	1180 4th Street	150	Family rental (including 50 supportive housing units)	2014
Block 7 West	588 Mission Bay Boulevard North	200	Family rental	2017
Block 6 East	626 Mission Bay Boulevard North	143	Family rental (including 29 supportive housing units)	2018
Block 3 East	1150 Third Street	119	Veteran supportive housing (62 units) and family rental (57 units)	2019
Block 6 West	691 China Basin Street	152	Family rental (including 38 HOPE SF units)	2021
Block 9	410 China Basin Street	141	Adult supportive housing	2022
Block 9a	400 China Basin Street	148 ¹	Family for-sale	2024
TOTAL		1,053		

¹ Project under construction.

Thus, with 1,053 units developed or under construction and 1,218 total units authorized, development on the remaining Affordable Housing Parcels, which consist of Block 4E as well as Block 12 West, is currently limited to 165 units. As noted above, OCII may consider pursuing an OPA amendment and, if necessary, a Redevelopment Plan amendment, to increase the allowable number of units.

2. Preference Holder Program

As noted in Section I, creating housing opportunities for Preference Holders is OCII highest priority in the development of Block 4E. In the 1960s and 1970s, SFRA undertook activities as part of the federal urban renewal program that displaced a significant number of residents and businesses of color. The Preference Holder program, established under state law in 1969, provides priority to low- and moderate-income displaced persons in the leasing and sale of affordable housing by way of a housing preference. Based on state law passed in 2021, the priority has been expanded to include direct descendants of displaced persons.

While displacement did not specifically occur in Mission Bay, it is OCII's goal to familiarize Preference Holders with the Mission Bay neighborhood and create attractive, high-quality housing in Mission Bay that meets Preference Holder needs. In addition, Preference Holders responding to a survey regarding their housing needs and preferences expressed interest in Mission Bay housing.

3. OCII Funding Authority

As a former redevelopment agency, OCII's funding is subject to regulatory review by the State Department of Finance ("DOF") through annual submittal of a Recognized Obligation Payment Schedule ("ROPS"). The ROPS for the 2023-24 fiscal year includes predevelopment funding for affordable housing development on Block 4E. OCII gap funding for the 165 remaining units is an enforceable obligation and will be incorporated into future ROPS based on the Project's financial projects. Funding for any units in excess of the 165 remaining under existing DOF-approved enforceable obligations, if proposed, will be subject to additional financing authority.

4. Mission Bay Affordable Housing Policy

The Housing Program (Attachment C to the OPA) establishes the standards and procedures that OCII will follow in developing affordable housing at the Site. In addition, SFRA adopted a Mission Bay Affordable Housing Policy ("Housing Policy") on September 17, 1998 (Resolution No. 194-98) to guide the development of Affordable Housing Parcels. The Housing Policy states that SFRA (now OCII) will select Qualified Housing Developers under the Housing Program to the OPA through a Request for Qualifications process. As required by the Housing Policy, preference will be given to non-profit housing development corporations headquartered in San Francisco. OCII will then enter into an exclusive negotiations agreement and later, various development agreements with the selected Developers. The type of housing to be built on each OCII site is generally determined as part of the City's Consolidated Plan. The Housing Policy establishes that rental projects on the Affordable Housing Parcels have a

75-year initial term of affordability and average rents consistent with current City and OCII policies, no greater than 30% of 60% of the AMI adjusted for household size and a utility allowance.

5. Development Controls

The Redevelopment Plan establishes general land use controls, including types and intensities of development and public open space in each sector of the Project Area. The companion Design for Development establishes detailed height, bulk, parking, street frontage and other design standards to ensure quality development.

The OPA between OCII (as successor to the SFRA) and FOCIL-MB LLC (successor in interest to Catellus Development Corporation and “Master Developer”) and the Interagency Cooperation Agreement between OCII and other City departments, establish the protocols for development approvals in Mission Bay South. The Master Developer is required to submit its overall plans for development in “Major Phases” of one or more land use blocks, with each Major Phase consisting of the private development projects and related public improvements on these blocks.

The Major Phase for Blocks 2-7 and 13 and Parks P5, P6, P13 and P15 Concept Design Application (“Major Phase”) was approved by the former Redevelopment Commission on November 1, 2004 (Resolution 178-2005). This Phase encompasses an area bounded by Channel Street to the north, 3rd Street to the east, Merrimack Street and Corrine Woods Way to the west, and Mission Bay Boulevard South to the south. The site area of Blocks 2 – 7 and 13 Major Phase is approximately 16.86 acres and is divided into 12 development parcels.

OCII anticipates amendments to the Design for Development, the Major Phase applicable to the Site, and possibly the Redevelopment Plan, to accommodate a maximum number of units for the Site, pursuant to this RFQ. The selected Applicant should be prepared to work closely with OCII to study and formalize any such changes in the Schematic Design approval applications to the OCII Commission.

6. Neighborhood and Transit Amenities

The Mission Bay neighborhood is rich in park and waterfront space, and retail and entertainment amenities. As shown in the amenities map in Attachment 22, there are numerous neighborhood-serving retail outlets and a branch of the San Francisco Public Library located within walking distance of Block 4E or reachable by a short bike ride or a few stops on the T Line. The green colored parcels denote the programmed and planned open space in the neighborhood.

Overall, the Project Area will provide approximately 34 acres of parks and open spaces. Block 4E is located a block from Mission Bay Commons Park, a block from Mission Bay Kid’s Park, a block from the dog park, and three blocks from Mission Creek Park and the planned Bayfront Park (currently under construction).

Block 4E is well served by transit. The Site is adjacent to the Muni Third Street Mission Rock Light Rail station and approximately half of a mile from the Caltrain station located on 4th Street between King and Townsend streets. In addition, the Muni 22 bus line, which connects Mission Bay to the Mission District and the 16th Street BART Station, stops a block away at 3rd Street and Mission Bay Boulevard North.

7. Citizens Advisory Committee

The Mission Bay CAC is an advisory body comprised of residents, business owners, and community organizations in the Project Area, which advises OCII on all matters which affect the Project Area. The CAC reviews all Major Phase applications and Schematic Design submittals in Mission Bay. A member of the CAC will review qualifications in response to this RFQ and will participate in the Evaluation Panel. The recommended Applicant will present their vision for the Site to the CAC prior to Commission action. The Applicant will make presentations and seek CAC at key development milestones, including concept design and schematic design.

8. California Environmental Quality Act (“CEQA)/ National Environmental Protection Act (“NEPA”)

As part of its actions on September 17, 1998, establishing the Mission Bay Redevelopment Project Areas, the Redevelopment and Planning Commissions certified the Final Subsequent Environmental Impact Report (FSEIR), adopted findings under CEQA, adopted a series of mitigation measures, and established a comprehensive system for mitigation monitoring, including special measures by land use. The Board of Supervisors and other City departments adopted similar findings and mitigation monitoring plans. The City, SFRA, and OCII Commission subsequently issued ten addenda to the FSEIR.

Mixed-use multifamily housing development on Block 4E is within the project analyzed in the FSEIR. However, in the case that OCII and the selected Applicant pursue an overall increase in allowable residential units in the Project Area and/or building massing on Block 4E exceeding that allowed under current controls, OCII may undertake environmental review and prepare appropriate documentation in accordance with CEQA. The selected Applicant will collaborate with OCII staff on any required analysis and will provide information as needed to describe the Project and assess impacts.

The selected Applicant will work with the Department of Public Health, the San Francisco Bay Regional Water Quality Control Board, the Bay Area Air Quality Management District and OCII staff to ensure that the mitigation measures for Block 4E are appropriately documented and implemented. In addition, the selected Applicant will be responsible for securing environmental review approval under NEPA, if necessary.

B. The Site & Transfer of Ownership

The Site is a flat, rectangular approximately 45,655 square foot lot. The parcel's frontage is as follows: 166 feet along Mission Rock Street and China Basin Street, and 275.03 feet along 3rd Street and the existing adjacent 4 West project (Strata at Mission Bay Apartments). See Attachment 18 for the Final Map. The Site is improved with surface paving and perimeter fencing and is currently in use as a temporary parking lot without any structures.

The selected Applicant will be responsible for pursuing any mapping action, if needed, to facilitate development of the Project such as a lot split, parcel map, or final map.

In accordance with the OPA, Agency Affordable Housing Parcels transfer from the Master Developer to OCII when project is ready to start construction. The Master Developer owns fee simple interest in the Site. At the start of construction, pursuant to the OPA and a recorded Memorandum of Option, the Master Developer will transfer fee simple ownership to OCII at no cost. At that time, OCII will convey the land to the selected Developers in an "as is" condition through a long-term ground lease.

Assuming the Applicant will require site control in order to access certain funding sources, OCII will enter into an appropriate agreement with the Applicant in order to meet the site control requirements of the approved potential funding source(s).

Once the Project is constructed and occupied, OCII will transfer the lease and the underlying land against which the lease will be recorded, to MOHCD as the Housing Successor pursuant to Redevelopment Dissolution Law.

C. Soil Conditions

According to Figure V.J.1 of Volume Two of the Mission Bay Subsequent EIR (SEIR), Block 4E was submerged in shallow water in Mission Bay before it was filled in the late 1800s. Existing data in the vicinity indicate that the site is likely underlain by approximately 15 to 30 feet of fill, which sits above a weak compressible clay known as bay mud. On Block 3 East to the north, bedrock was encountered at a depth of approximately 245 feet. The selected Applicant will need to conduct geotechnical investigations specific and will need to incorporate and budget for design elements appropriate for identified conditions, such as foundation and structural systems, and hinged slabs and design elements that plan for settling of connection points of hardscape areas to building faces, at a minimum. In addition, Developers should budget for soil off-hauling.

1. Soil Contaminants

Soil contaminants currently exist in the Project Area and are assumed to exist at the Site. The principal chemicals that have been detected in the Project Area are petroleum hydrocarbons and inorganic compounds (e.g. heavy metals). Additionally, asbestos was detected in the soil primarily from serpentine rock, which was imported to fill Mission Bay. No significant concentrations of volatile organic compounds have been detected in soil or groundwater. Limited concentrations of select volatiles such as benzene were found around the former petroleum storage facilities in the Project Area, but are not expected to affect the Site. None of the chemicals were detected at concentrations that would pose a threat to human health following the completion of the planned Project Area development.

2. Risk Management Plan

A Risk Management Plan ("RMP") has been approved for the Project Area that summarizes the types of contaminants present and the measures that must be taken. Current and future owners, occupants, and property

managers must comply with these measures. A copy of this report can be found on OCII’s Mission Bay website at <http://sfocii.org/mission-bay>.

3. Cleanup Roles and Responsibilities

The OPA establishes the general principles by which responsibility for investigating and responding to environmental hazards is assigned. Further, a Memorandum of Agreement for Incremental Environmental Costs on Mission Bay Affordable Housing Sites (“MOA”) between OCII and the Master Developer and executed November 19, 2001, describes in more detail the methods by which incremental costs will be calculated and reimbursed by the Master Developer.

4. Limitations to Incremental Costs: No Underground Parking

The Master Developer’s MOA to pay for all incremental costs is limited by (1) the exclusion for costs related to the construction of subterranean garages, and (2) the developer’s reasonable efforts to provide for grading to be balanced on site. For this reason, the development concept prepared by the selected Applicant may not include underground parking.

D. Schedule Considerations

As previously noted, the Redevelopment Plan will expire in 2028. OCII anticipates a schedule in which the Project has closed on construction financing and is well into the construction period by that date. To achieve this, OCII has outlined key schedule milestones as follows:

Milestone	Timeframe
OCII commission consideration of schematic designs	Q2 2025
Site permit issued	Q1 2026
Tax-exempt bond/low-income housing tax credit application	Q1 2026
Close of construction financing/notice to proceed	Q4 2026

All timeframes are preliminary and subject to change. Applicants should acknowledge this schedule in their qualifications submittals and propose an approach and staffing that are responsive to schedule expectations. The selected Applicant will work closely with OCII to finalize a comprehensive development timeline.

SECTION III. DEVELOPMENT PROGRAM

A. Housing Development Concept

OCII’s goal for the Site is the development of high-quality affordable housing , with thoughtfully designed residential units and amenities serving low-income households and households experiencing homelessness. Meeting the housing needs of Preference Holders and maximizing Preference Holder occupancy is a top priority in the development of this Site.

Development should provide a maximum number of affordable units, while ensuring the highest quality property management practices and quality living environments. The below table summarizes the OCII programming guidelines for the Site:

Program Element	OCII Requirements
Units	<p>A maximum number of high-quality units with a target unit mix of:</p> <ul style="list-style-type: none"> • 25% 1 bedroom/1 bathroom: minimum of 500 net square feet • 50% 2 bedroom/1 or 1.5 bathroom: minimum of 850 net square feet • 25% 3 bedrooms/1.5 or 2 bathrooms: minimum of 1,100 net square feet

Commercial space(s)	<p>Community-serving and/or public benefit commercial space(s) totaling approximately 1,200 to 3,000 square feet, may be provided in a single space or two spaces. Target uses may include:</p> <ul style="list-style-type: none"> • Arts and culture: facility providing accessible arts opportunity through cultural arts and programs, or facility to promote the production of arts and arts programs • Social welfare: facility that provides employment and workforce development services, services with seniors and/or adults with disabilities, and youth or family services • Health: public health clinic or community health organizations • Youth programs and services: education, tutoring support, enrichment, and related programming
Interior services and management spaces	<ul style="list-style-type: none"> • Desk staff at main residential entrance (24-hour desk coverage) • Dedicated private offices for property management and support services staff with adequate room for storage of client records and seating for one-on-one sessions • Storage space for supplies, replacement furnishings, and program materials
Community spaces/amenities	<ul style="list-style-type: none"> • At least one common area/community room with adjacent or incorporated kitchen • Varied spaces that allow for both active programming and passive use • Include spaces tailored to meet the needs at various life stages. Such space may include: remote work rooms, homework rooms, children’s play rooms, teen spaces, lounges, and fitness rooms.
Open space	<ul style="list-style-type: none"> • Ground floor or podium level open space courtyard, at the center of the block, generally aligned with the central courtyard of the adjacent building at Block 4 West • Upper floor terraces as needed to meet open space requirements.

Please refer to Section II.G and H below for design standards and guidance. OCII reserves the right to modify the development program following selection of an Applicant. OCII further reserves the right to change the scope of the development program and/or require changes to the building design and unit configuration as it deems appropriate.

B. Target Populations

As previously noted, Block 4E will provide affordable housing serving low-income households and households who have experienced homelessness. Applicants should assume that a portion of units will be set aside for households who have experienced homelessness.

Housing Preference Holders is of the highest priority and may require innovative recruitment and selection methods to maximize Preference Holders’ participation. Additional information regarding preferences for resident selection is described in Section III.C below. In addition to the Preference Holder outreach and the occupancy preference, the selected Applicant will be expected to collaborate with Preference Holders, community stakeholders, MOHCD, and OCII to identify and address Preference Holder housing needs and preferences. This may include housing features, amenities, program elements, and/or income levels. The qualifications submittal should describe the Applicants approach to Preference Holder engagement on all aspects of Project development.

Low-Income Families

Units should be designed to accommodate persons of all ages in a wide variety of household configurations. Units and amenities should incorporate best practices in urban multi-family housing and designs should incorporate feedback from experienced project managers and operations staff.

Formerly Homeless Households

Applicants should assume that a minimum of 20% of units will serve households who have experienced homelessness. The number/percentage of units is subject to change at the discretion of OCII and HSH. In addition, the specific household type is to be determined. Household types may include some combination of adults, older adults, families with and without minor children, transitional aged youth (“TAY”), or others as deemed appropriate and necessary by HSH in the implementation of HSH’s 2023-2028 Strategic Plan. These units are essential in

addressing the City's homelessness crisis. The need for permanent supportive housing units is further addressed the City's 2022 Housing Element of the General Plan and MOHCD's 2020-2024 Consolidated Plan.

Applicants for these units will be referred to the Project by HSH through the Coordinated Entry process. The Coordinated Entry process serves as a standardized screening, intake, and assessment tool that is used to determine the specific needs of homeless persons and their eligibility for available programs and interventions. It is intended to serve as a referral resource to match households to the most appropriate resources. Applicants should assume that referred prospective tenants will be in need of intensive support as further described in Section III.E below. All referred applicants will be persons or households experiencing homelessness in San Francisco, which includes Preference holders. All Preference holders who are in the Coordinated Entry system will be prioritized for referral, which must be coordinated with MOHCD preferences staff.

Supportive housing tenants will contribute 30% of their income toward rent. The difference between the tenant contribution and the cost to operate the unit will be covered by the City's Local Operating Subsidy Program ("LOSP") and/or other available rent or operating subsidies such as Continuum of Care funds or project-based housing choice vouchers. Applicants should refer to the San Francisco LOSP Policies and Procedures Manual for additional information.

C. Occupancy Preferences, Resident Selection & Marketing

Preference for occupancy of units in the Project shall be given first to Preference Holders and the selected Developers should seek financing that is compatible with this preference. OCII will apply housing preferences authorized under Chapter 47 of the San Francisco Administrative Code to the extent that they are consistent with other applicable laws and policies. Preference will be given in the following order:

1. Preference Holders, including descendants of originally displaced individuals (Cal. Health & Safety Code §§ 33411.3 & 34178.8) (please see Attachment 22 for the Property Owner and Occupant Preference Program, adopted in 2020)
2. Displaced Tenants Housing Preference
3. Neighborhood Resident Housing Preference
4. San Francisco residents or workers
5. Members of the general public

The Developers will establish tenant selection policies for the Project. Tenants must meet the income eligibility criteria and the Developers' established screening requirements for, which must be consistent with OCII's marketing policies. Any authorized preference shall be permitted only to the extent that such preference does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit on account of any basis listed in Subsection (a) or (d) of Section 12955 of the California Government Code. OCII or its agent will work with the selected Developers to resolve any potential occupancy conflicts and to ensure adherence to the above-listed OCII occupancy preferences and marketing requirements.

As previously noted, staff from HSH will provide tenant referrals for the units set-aside for formerly homeless households through the Coordinated Entry process. Pursuant to HSH and LOSP policies, tenants in these units must be experiencing homelessness in San Francisco.

Advertising and Marketing

Starting one month after construction commencement, the selected Developers must provide an Early Outreach Plan with an emphasis on outreach to and rental readiness and application preparation assistance for COP Holders. The Developers must select a third-party housing counseling agency for these services and execute a memorandum of understanding (or similar document). A pre-approved provider list will be provided to the selected developer in the Early Outreach Plan template (OCII will provide this template to Applicants upon request).

After the early outreach period, the Developers will be expected to prepare and implement a robust marketing plan. The Developers must provide notice of the rental opportunity through public meetings and mailings, and make support service staff available to prospective applicants, as they may require, for the purpose of assisting them throughout the applicant process and maximizing their participation.

Beginning in predevelopment, through construction and initial lease-up, and on an ongoing basis, OCII and MOHCD will require compliance with OCII, MOHCD, and HSH standards and protocols and regular communication and collaboration with staff from these agencies. Requirements will include early outreach planning and implementation, marketing planning and implementation, public lotteries for initial lease-up, appeals processing, lease-up, and ongoing wait list management.

D. Affordability Restrictions and Financing

Financing for the Project will be subject to underwriting using the current version of OCII/MOHCD Underwriting Guidelines and MOHCD policies. Applicants should familiarize themselves with these guidelines and policies, which can be found on the MOHCD website at <http://sfmohcd.org/documents-reports-and-forms> and <http://sfmohcd.org/asset-management-multifamily-rental-housing>. Policy documents include: Underwriting Guidelines, Residual Receipts Policy, Operating Fees Policy, Ground Lease Policy, Loan Agreement Policy, Tax Credit Developer Fee Policy, and the LOSP Policies and Procedures Manual.

OCII's goal is that the Project remains permanently affordable and thus affordability covenants and restrictions will generally not be subordinated. To ensure this outcome, OCII will transfer Site control to the selected Developers through long-term ground or air rights leases. Following conversion to permanent financing, OCII will transfer its interests to MOHCD as the Housing Successor.

Limited OCII resources may be available to assist in the development of the Project; however, the selected Applicant will be expected to aggressively pursue non-OCII sources of development financing. The selected Applicant will prepare a comprehensive financing plan for the Project prior to any OCII authorization of loan funds. Please note that a detailed financing plan and proforma are **not** required as part of the qualification submittal. OCII expectations regarding financing are outlined as follows:

- **Primary capital funding sources.** Sources will likely consist of the following:
 - Low-income housing tax credits with tax-exempt bonds (9% credits from the regional pool will not be available for this Project);
 - Federal Home Loan Bank Affordable Housing Program funds;
 - California Department of Housing and Community Development ("HCD") Multifamily Housing Program, Affordable Housing and Sustainable Communities, Infill Infrastructure Grant, or other HCD funding that may become available;
 - OCII subsidies (see Section II.A.2 – Background); and
 - Any other funding that Applicants deem appropriate and feasible.

Applicants should describe their financing strategy and related schedule considerations as part of their narrative description of their project vision, pursuant to Section V.A.

- **Rents.** OCII will require that AMI levels are tiered to accommodate households at a wide range of income levels, offering a portion of units affordable to households at and below 50% of AMI, and to maximize leasing to Preference Holders. OCII agreements will require that rents be set at an amount that is affordable to households earning up to 80% of AMI as published annually by MOHCD, with an average rent/AMI at or below 60% (pursuant to CTCAC income averaging regulations and MOHCD Underwriting Guidelines). AMI tiering is subject to review and approval by OCII and must consider marketability.
- **LOSP.** The selected Applicant should assume that units set aside for households experiencing homelessness will receive LOSP funding through 15-year contracts with MOHCD. Note, however, that the selected Applicant may be required to apply for subsidies through the Continuum of Care or other available sources to support these units.
- **Supportive Services funding.** The selected Applicant will be expected to prepare plans and budgets for supportive services for tenants who have experienced homelessness. The plans and budgets will be subject to review and approval by HSH. While supportive services funding may be available from HSH, the selected Applicant will be expected to explore other funding sources and to leverage any local funding provided to secure

outside sources. Funding for resident services for low-income tenants is expected to be funded through the operating budget, subject to the Underwriting Guidelines.

- **Ground lease rents.** The selected Developers will enter into 75-year initial term ground lease agreement with OCII (with options to extend to a total of 99 years). The annual rent will be set at 10% of the appraised unrestricted value of each site and will be re-determined every 15 years thereafter, as determined by an MAI appraiser selected by and at the sole cost of tenant. Base rent of \$15,000 will be payable annually as an operating expense (“above the line”). Residual receipts payable to OCII/MOHCD will not be applied to ground lease rents. Any residual receipts flowing to OCII/MOHCD will be applied toward payment of the loan agreement.

E. Resident Services

The successful provision of resident support services will be critical to the overall success of the development program. The qualifications submittal should clearly describe which entity/entities will be responsible for the provision of resident services and supportive services, describe the organizational capacity of the provider(s), and address an approach to providing services for all target resident populations.

Resident services should include the coordination of on-site activities for children. These may include after school homework and/or tutoring help, arts and crafts, and other enrichment activities. Children’s service programming should take into consideration the special needs of children who have experienced homelessness and be prepared to address cases of emotional and behavioral issues.

1. Minimum Requirements:

- An understanding of the housing and service needs of the tenant populations;
- An approach that anticipates: tenant-based services, connections to mainstream resources, access to and connections with community-based programs and services, subcontracted and/or partner services, and coordination with property management; and
- Experience effectively providing comparable resident services and supportive services in a housing setting.

2. Supportive Services

Residents who have experienced homelessness will require intensive support services and case management. The service models should focus on a housing first approach that centers equity with intensive wrap-around services. The Service Provider must demonstrate familiarity with the core principles of the trauma informed system (TIS). The Service Provider will be expected to use a tenant-centered model that provides, or facilitates in the provision of, an array of voluntary services that encourages tenants to utilize them. In addition to case management, other supportive services identified to be necessary for housing stability should be available. TIS should be included at all levels of housing management, and specific comments included in the services and resident selection plans.

Service activities will be refined with HSH and adjusted based on the specific household type(s) to be referred to the Project and may include:

- TIS that includes initial and ongoing training for both services and property management staff/teams;
- Engagement and assessment of formerly homeless households in collaboration with property management during the resident selection period;
- Ongoing outreach and engagement to the tenant populations;
- Mental health and substance use support and referrals
- Services through a harm reduction approach and model
- Eviction prevention counseling and advocacy, and early intervention or problem solving on issues that may affect housing stability;
- Advocacy or assistance in solving legal or financial problems;
- Coordination of tenant involvement with property management;
- Access to basic needs such as clothing and food;
- Conflict resolution among tenants using trauma informed principles;

- Recreation, community building, social, and/or other group programming;
- Adult employment skill development, and job placement and retention services;
- Parenting support and life skills coaching using trauma informed parenting providers;
- Access to benefits and educational opportunities as appropriate; and
- Opportunities to move up the housing ladder via the Moving On Initiative or other programs.

F. Property Management

The Property Manager must demonstrate successful approaches to managing buildings serving the proposed resident population, including family housing and integrated housing that serves households who have experienced homelessness. Applicants must provide a narrative description of the Property Manager’s specific experience supporting these communities. This narrative should include the Property Manager’s experience with and approach to working with on-site service providers to ensure resident safety and stability.

The Property Manager should exhibit a commitment to provide sound operational and building management staff who is willing to meet with residents, the Developers, and the Services Provider at regular meetings. Applicants must also show that the Property Manager is experienced in assisting new developments to become integrated into the neighborhood by cultivating good relationships with neighborhood residents, businesses, and other stakeholders, including meeting neighborhood standards regarding sidewalk cleanliness, litter and graffiti control. Applicants should provide information regarding the Property Manager’s approach to building security and maintenance. Applicants should assume that the Property Manager will provide 24-hour desk coverage.

G. Land Use Restrictions

The land use controls of the Redevelopment Plan apply to Block 4E, and its development is subject to the review and approval of OCII. The Redevelopment Plan and Design for Development are available on OCII’s website at <http://sfocii.org/mission-bay>. Since the Site is located within a redevelopment area, these Mission Bay redevelopment documents replace the City’s zoning regulations.

The requirements include, but are not limited to, the following categories: density, open space, height/bulk, parking, off-street loading, bicycle parking, setbacks, signage, and utilities. The selected Applicant will be responsible for ensuring that designs comply with applicable development requirements.

As noted above, OCII may consider a program and design that exceeds the amount of development anticipated under existing development controls applicable to Block 4E in order to maximize the delivery of affordable housing units. Any proposed change to the development controls is subject to further studies, financial feasibility analysis, community outreach, environmental review, and consideration and approval by the OCII Commission. If a change requires a Redevelopment Plan amendment, the change would require approval from the OCII Commission and Board of Supervisors. Applicants should address their experience with similar actions on comparable projects and describe their approach to addressing the myriad of issues associated with zoning changes and similar actions in their submittal (see Section V.B).

H. Design & Construction

OCII requires excellence in architectural design and physical acknowledgement, through the highest design and construction standards, of the Site’s prominent location in a high-density, master-planned, residential neighborhood. In addition to offering highly functional residential spaces, the designs will be required to incorporate contextual designs that respond to the surrounding architecture and enliven the public realm through active ground floor uses.

The Design for Development allows for the maximum amount of creativity from the Applicant by identifying basic standards and guidelines, but otherwise depending primarily on design guidelines to direct the rest of the building design. See table below for a summary of the design standards. Please refer to the Design for Development document for a comprehensive set of design standards and guidelines.

In addition to the standards and guidelines set forth in the Project Area development controls, residential units and amenities should be designed to meet the needs of the target population as described above.

Design and development controls standards described herein are not comprehensive and are provided for informational purposes only. These controls should be referenced as Applicants develop a vision for the Project and approach to the development process. As discussed in Section V below, design diagrams are **not** required in the qualifications submittal and will **not** be accepted.

Design Element	Development Standards
Height*	<ul style="list-style-type: none"> • Base height: maximum 65' • Mid-rise height: maximum 90' • Tower height: maximum 160'
Bulk*	<p>Applicable only to any building portion above 90':</p> <ul style="list-style-type: none"> • Plan diagonal: maximum 190' • Plan length: maximum 160' • Floor plate: maximum 17,000 sf
Lot Coverage	100% lot coverage to a maximum height of 40'. For building portions above 40', a maximum of 75% lot coverage is allowed.
Street Wall	Regulations include corner treatments and projections (refer to Section III Design Standards in the Design for Development)
Setback	<ul style="list-style-type: none"> • 3rd Street: a 5' setback from the property line to the building face is required. • Side: no setback is required from the shared property line between the two parcels. Assume standard fire separation requirements. • Mission Rock/China Basin Streets: no setback is required. Recess garage entries a minimum of 2' from primary building façade.
Ground Floor	<ul style="list-style-type: none"> • Locate active uses (residential lobbies, commercial, community spaces, etc.) along street frontages on as much of the façade as possible. • Ground floor residential units are optional and if provided must be elevated to account for sea level rise considerations (see Section III.H.4 below) and include pedestrian street-level access.
Open Space*	<ul style="list-style-type: none"> • Minimum 70 sf per residential unit • May be satisfied through any combination of a courtyard (ground or podium level), rooftop decks or gardens, solariums, or other landscaped areas. • Minimum horizontal dimension for any private open space is 6'
Vehicular and Bicycle Parking	<ul style="list-style-type: none"> • Vehicular parking should be provided to the maximum extent feasible, with an approximate target ratio of 0.25 space per unit for residents. • Consider a minimum bike ratio of 0.50 space per unit, provided in secured Class 1 facility.
Loading, Vehicular Access, and Refuse	<ul style="list-style-type: none"> • No loading facilities are required for residential development below 100,000 square feet; one space is required between 100,001 and 200,000 square feet; two spaces between 200,001 and 500,000 square feet. • Consider siting loading space(s) on Mission Rock Street and/or China Basin Street. • Vehicular access should be provided on Mission Rock Street and/or China Basin Street (assume no curb cuts along 3rd Street) • Designated area in the building or garage to accommodate separation of refuse and to meet Recology's pick-up requirements (consider access from Mission Rock or China Basin Streets)

Code Compliance and Green Building	<ul style="list-style-type: none"> • Compliance with San Francisco Building Code and Administrative Bulletin AB-093 • Compliance with San Francisco Planning Department Standards for Bird-Safe Buildings adopted July 14, 2011 http://default.sfplanning.org/publications_reports/bird_safe_bldgs/Standards%20for%20Bird%20Safe%20Buildings%20-%202011-30-11.pdf • LEED “Gold” rating or Green Point Rating of 125 or higher
Building Orientation	<ul style="list-style-type: none"> • Screen parking and utility areas along street frontages with ground floor uses and/or architectural elements. • Lobby shall be visually appealing in a pedestrian scale and character, with an architecture distinct from the rest of the building facade.
Internet Access	Compliance with MOHCD Communications System Standards (https://sf.gov/sites/default/files/2023-02/MOHCD%20Communications%20Systems%20Standards.pdf) to incorporate infrastructure to provide infrastructure for high quality internet access for residential units

** Pending approval of an OPA amendment to increase the allowable number of affordable housing units, OCII may consider increases to the maximum heights, and modifications to the bulk and open space standards applicable to the Site to increase the number of residential units. OCII staff have modeled scenarios in which the Site is developed with two buildings, increased building heights, and with bulk and tower separation restrictions similar to those applied to the Mission Rock project. The study is included for reference as Attachment 19. The selected Applicant may collaborate with OCII to review height, bulk, and tower separation alternatives to determine an appropriate and financially feasible recommended development program. Applicants should address their approach to this exercise in the vision narrative described in Section V.*

2. Green Design Guidelines

Improvements must meet San Francisco Building Code and Administrative Bulletin AB-093 and constructed to a Green Point Rated standard of 125 or LEED Gold rating. In addition, OCII will seek to maximize the overall sustainability of the Project to the extent possible through the integrated use of “green” building elements. Building features considered green or sustainable may include natural ventilation, daylighting, water conservation, and use of resource efficient and healthy building materials.

3. Sea Level Rise/Flood Considerations

According to the *San Francisco Sea Level Rise Action Plan*, Mission Bay is located within the San Francisco Sea Level Rise Vulnerability Zone, and thus storm event flooding and sea level rise are important considerations for all development in the Project Area. The selected Applicant will review available sea level rise materials and incorporate appropriate design features into the design to minimize building damage and ensure resident health and safety in a high-water event. Such features may include but are not limited to backup generators, elevated utility and mechanical equipment, pumping systems, foundation treatments, landscaping features, and building materials and finishes.

4. Priority Permit Processing

The Project is subject to priority permit processing under Mayoral Executive Directive 17-02, which is intended to expedite the production of housing in San Francisco. The selected Applicant will be expected to diligently pursue required permits, follow labeling protocols, submit clear and complete application materials, provide thorough and timely responses to City agency comments, and provide regular updates to OCII staff regarding the status of all pending and upcoming permit applications.

I. Equal Opportunity Programs

OCII has an Equal Opportunity Program (“EOP”) that consists of various policies requiring OCII-sponsored projects to provide benefits to economically disadvantaged communities and local residents. EOP policies and Programs are further discussed in Section VI and Attachments 11 through 17 of this RFQ.

As previously noted, an Applicant is defined as a team comprised of only the following: 1) a qualified Lead Developer, 2) a Co-Developer, 3) a Property Manager, 4) a Supportive Services Provider, and 5) a Lead Architect 6) a Workforce and Contracting Action Plan (“WCAP”) Lead(s) (note: the WCAP Lead may be an in-house employee or outside consultant with the knowledge and capacity to lead EOP efforts). Any and all other consultants to the development team shall be brought on to the project at a subsequent stage pursuant to OCII’s SBE Policy.

As part of the qualifications submittal, the Applicant should clearly identify which team member(s) will be responsible for compliance with the EOP, acting as the WCAP Lead in corresponding with OCII Contract Compliance staff and ensuring that EOP goals and programs are addressed in solicitations and affirmed in contracts.

Applicants must submit a WCAP that clearly addresses how the team will implement the SBE Program, and Construction and Permanent Workforce Policies on the Project. Applicants must also agree to comply with the Nondiscrimination in Contracts and Benefits, Minimum Compensation, and Health Care Accountability Policies, as well as the payment of prevailing wages. The WCAP should describe how an SBE associate architect and a general contractor joint venture (described below) could be utilized in the Project.

OCII strongly encourages the Applicant (and those consultants and contractors, including the general contractor(s), that the selected Applicant will bring on to the project after this RFQ) to create joint ventures or similar partnership relationships with San Francisco-based SBEs looking to build capacity and gain experience.

SBE Associate Architects

OCII requires that the successful Applicant cooperate with OCII to identify substantive design elements of the Project, to the extent practicable and economically feasible, to be offered to a SBE associate architect, and competitively solicit an SBE associate architect pursuant to OCII’s SBE Policy even if the Applicant’s Lead Architect is an SBE. It is expected that the role of the associate architect should be meaningful and collaborative, such as providing the associate architect discreet massing components and involving the associate architect in design through the completion of the Project. OCII expects that the associate architect scope will comprise at least 35% of the total design contract.

General Contractor Joint Venture

OCII requires that the selected Applicant cooperate with OCII and competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, the successful Applicant shall cooperate and require the general contractor to exercise good faith efforts to select subcontractors who either are SBEs or, if they are not SBEs, are willing to create joint ventures or similar partnership opportunities with SBEs.

J. Community Outreach

It is critical to the success of the development program that the selected Developers establish positive links with the Mission Bay community throughout the development process. A CAC member will review qualifications submittals and participate in the Evaluation Panel. The CAC will review the recommended Applicant prior to review by the OCII Commission. In addition, the CAC will be asked to make a recommendation regarding schematic design for the Projects and on OCII financing approvals for the Projects. The selected Developers are expected to maintain a relationship with the CAC throughout predevelopment, construction, and on an ongoing basis once the Project is operational.

SECTION IV. SELECTION PROCESS & CRITERIA

A. Selection Process

1. Qualifications submittals will be accepted only until the dates and times shown in Section I.A and E.
2. Submittals will be electronic, uploaded to OneDrive pursuant to instructions emailed to registered Applicants. No submissions received by mail, facsimile, or electronic mail will be considered. The Applicant

is solely responsible for ensuring that all information requested in Section V Submission Requirements is submitted.

3. OCII staff will contact references.
4. Applicants who have provided qualifications submittals that meet the requirements of this RFQ will be interviewed. Interviews are expected to be held on the date(s) shown in Section I.A, however, these dates are subject to change. Applicants should advise OCII staff of availability on these days. Interviews may be held at OCII (located at One South Van Ness Avenue in San Francisco on the Fifth Floor) or online via video call.
5. Further information or written material regarding qualifications may be requested prior to or following interviews.
6. OCII staff will make a recommendation to the OCII Commission based on the input of the Evaluation Panel review of the submittals, interviews, and reference checks.
7. The OCII Commission will approve selection of the successful Applicant.

B. Selection Criteria

The selection of the Applicant will be based on the strength of the proposed development concept as well as the Applicant team members' experience as described below.

Maximum Points	Criteria
30	Development Vision
10	<p>Development approach:</p> <ul style="list-style-type: none"> • Program concept; • Financing strategy with a focus on feasibility within the development schedule; • Strategy for addressing diversity, equity, and inclusion in all aspects of the Project, including the team composition, and approach to meeting or exceeding OCII SBE goals; • Strategy for identifying Preference Holder needs and preferences to inform the development program; • Community outreach and engagement; • Cost containment strategy; and • Determining and meeting a compressed development schedule.
5	<p>Design approach:</p> <ul style="list-style-type: none"> • Vision for relationship between the buildings and the relationship of Project to the surrounding environment; • Inspirational images and guiding concepts; • Strategy for studying conceptual designs, collaborating with OCII, and expeditiously recommending a massing concept; and • Strategy for delivering high quality housing within a constrained budget.
5	<p>Property management approach:</p> <ul style="list-style-type: none"> • Address considerations and strategies for managing and maintaining larger-scale residential properties; • Strategy for working collaboratively with supportive services to maintain resident housing stability; and • Staffing the Project.

5	<p>Supportive services approach:</p> <ul style="list-style-type: none"> • Strategy for working collaboratively with property management to address resident needs and issues; • Approach to providing culturally competent services appropriate to the tenant population; • Staffing the Project.
5	<p>Marketing approach:</p> <ul style="list-style-type: none"> • Strategy for successfully housing Preference Holders; • Preference outreach approach for advertising and leasing, including any innovative or creative approaches for Preference engagement and lease-up; • Overall marketing strategy and approach; and • Staffing for implementing early outreach and marketing plans and lease-ups.
70	Team Experience and Capacity
10	<p>Applicant team composition and structure:</p> <ul style="list-style-type: none"> • Team composition is aligned with diversity, inclusion, and equity strategy described in the development vision; • Roles and responsibilities are clear, aligned with the development vision, and well considered to expedite development while ensuring meaningful participation that builds upon the strengths of various team members; and • Submittal includes MOU or similar agreement between the Lead Developer and Co-Developer
10	<p>Lead Developer:</p> <ul style="list-style-type: none"> • Experience developing and marketing affordable housing comparable to the housing described in this RFQ and in accordance with current OCII/MOCHD standards; • Participation in innovative projects addressing affordable housing challenges; • Expertise in best practices regarding community development; • Deep knowledge of local, regional, and/or national models for community engagement; • Experience with OCII/MOHCD marketing policies and participating in lotteries through MOHCD's DAHLIA system; • Demonstrated understanding of the Preference program and or experience successfully marketing to and housing Preference Holders; • Expertise in government assisted affordable housing programs and financing sources; • Collaborating effectively with a co-developer; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Track record of delivering comparable projects on schedule and on budget; • Providing meaningful project opportunities/scopes to mentor and build capacity for co-developer and other contractors, especially disadvantaged firms; • Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.

10	<p>Co-Developer:</p> <ul style="list-style-type: none"> • Experience developing and marketing affordable housing comparable to the housing proposed in this RFQ and in accordance with current OCII/MOCHD standards; • Demonstrated understanding of the Preference program experience marketing to and housing Preference Holders; • Demonstrated track record in performing the roles and responsibilities to be undertaken pursuant to the MOU; and • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.
10	<p>Architect:</p> <ul style="list-style-type: none"> • Experience delivering comparable affordable housing on schedule and on budget; • Demonstrated experience partnering with a SBE associate architect, in an approach that provides a meaningful growth opportunity and an efficient division of responsibilities; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Staffing plan is appropriate to advance the Projects in accordance with the schedule.
10	<p>EOP/WCAP:</p> <ul style="list-style-type: none"> • Demonstrated commitment to prioritizing SBE participation in project development and construction, and creating meaningful SBE growth opportunities; • WCAP Lead and other staff responsible for leading EOP compliance are clearly identified; • Responsible staff demonstrate an understanding of economic opportunity programs, including a commitment to diversity in contracting, and capacity to lead compliance efforts; and • WCAP is detailed and clear (provides a strategy, not just a statement of commitment).
10	<p>Services Provider:</p> <ul style="list-style-type: none"> • Track record of providing culturally competent supportive services; • Demonstrated success in helping residents achieve housing stability; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Capacity of the provider and demonstrated ability to fill open positions are in a timely manner with qualified staff; and • Demonstrated experience providing, or bringing in, clinical support for the staff and tenants.

10	<p>Property Manager:</p> <ul style="list-style-type: none"> • Experience and successful track record of managing affordable housing buildings serving a comparable resident population in a culturally competent manner; • Skilled in maintaining high facility standards, long-term asset stewardship, and high resident satisfaction; • Experience effectively coordinating with on-site services providers; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Capacity of the project management entity, including capacity to manage ground floor community space, and demonstrated ability to fill open positions in a timely manner with qualified staff; and • Demonstrated success in marketing and leasing retail spaces to community-serving local businesses.
100	Maximum Total Points

The selection panel will provide a recommendation to the Executive Director, who will, in turn, provide a recommendation to the OCII Commission. The Executive Director is not required to recommend the Applicant receiving the panel’s highest ranking or evaluation but may recommend a developer to the Commission based on other factors, including, but not limited to, the fulfillment of OCII policy and the Applicant’s history of uncured defaults, if any, related to prior OCII, SFRA, or MOHCD agreements. The OCII Commission has the sole and absolute discretion to make, at a public hearing, the final selection.

SECTION V. SUBMISSION REQUIREMENTS

The Applicant must submit electronically, based on the instructions emailed to registered Applicants. Applicants are to provide the requested information in the order indicated below. Each section A-G must be a separate PDF file, with the file name labeled according to the Section names below.

The qualifications submittal must be uploaded on or before the time and date shown above in Section I.E. Late, incomplete, mailed, emailed, or faxed submittals will **not** be considered.

A. Development Vision

Provide the following documents:

1. **Project Description (Narrative):** Submit a narrative of no more than six (6) pages describing the Applicants’ vision for the Project. The narrative should address:
 - a. Development approach:
 - Vision for the program of the Project, including residential and commercial uses, and amenities;
 - Strategy for financing the Project, including a discussion of likely capital and operating subsidy sources and why such sources may be a good fit for the Project as well as any innovative or unique financing strategies that may be viable and appropriate;
 - Strategy for addressing and ensuring diversity, equity, and inclusion in all aspects of the Project including community engagement, predevelopment, construction, and operations;
 - Meeting or exceeding OCII SBE goals;
 - Engagement with the CAC and outreach to the broader community at various stages of development;
 - Anticipated schedule overview and the schedule relationship between the two buildings, and methods the Applicant may employ to ensure that the Projects progress in accordance with the schedule.
 - b. Design approach:

- Strategy for determining a massing concepts for the Site;
 - Coordination within Applicant team members and collaboration with OCII;
 - Consideration of how the building might relate to neighboring buildings with regard to scale, form, and open space, and how design concepts will be refined to meet target resident population and operational needs;
 - Strategy for soliciting and incorporating feedback from local community-serving organizations and businesses in designing the ground floor commercial space;
 - Select relevant inspirational images that convey a concept that may influence the design concept for the Site;
 - Strategy for meeting an expedited design and development schedule;
 - Cost containment strategies and approach to delivering high quality buildings with constrained resources.
- c. Property management approach:
- Considerations and strategies for managing larger-scale residential projects, including long-term facility preservation;
 - Strategy for working collaboratively with supportive services to maintain resident satisfaction and housing stability; and
 - Anticipated staffing.
- d. Supportive services approach:
- Strategy for working collaboratively with property management to address resident needs and issues; and
 - Providing culturally competent services appropriate to the tenant population; and
 - Anticipated staffing.
2. **Marketing Approach (Narrative):** Submit a narrative of no more than two (2) pages describing the approach to marketing and lease-up, with a particular emphasis on strategies to maximize Preference Holder placement:
- Strategy for engaging Preference Holders and successfully housing a maximum number of Preference Holders at the Project;
 - Strategy for identifying Preference Holder needs and preferences and incorporating these into the building program and design, to the extent feasible. The strategy may include review of available Preference Holder household data, Preference Holder engagement in design charrettes, interviews with Preference Holder-serving organizations, and other methods;
 - Innovative and effective best practices for reaching diverse community groups;
 - Marketing and lease-up strategy; and
 - Staffing for implementing early outreach and marketing plans, and managing the lease-up.

NOTE: No drawings, renderings, elevations, or models of any kind are required or will be accepted at the time of submittal. Submittals in excess of the required materials shall be returned and will not be considered in the review of qualifications.

B. Applicant Description

1. **Applicant Structure and Approach (Narrative):** Provide a narrative of no more than two (2) pages that describes how the team will work together during predevelopment, construction, and in the ownership and operation of all aspects of the completed project. The narrative should:
- a. Clearly articulate key Developer and Co-Developer roles and responsibilities.
 - b. Identify the party or parties responsible for leading EOP compliance.
 - c. Identify the party or parties responsible for resident services and supportive services.
 - d. Identify the party or parties responsible for property management.

- e. Identify the party or parties responsible for early outreach, marketing, and lease-up.
- 2. **Memorandum of Understanding (“MOU”)**: Attach MOU between the Developer and the Co-Developer.
- 3. **Applicant Description Form (Attachment 1)**: Complete the Applicant Description Form to establish compliance with definition of “Qualified Housing Developer” under Section 1.32 of the Mission Bay South Housing Program (Attachment C to the OPA).
- 4. **Résumés**: Submit résumés for all persons identified on the Applicant Description Form.
- 5. **Organizational Documents**: Submit a current copy of the following documents for the Developer/Co-Developer:
 - a. Certificate of good standing from California Secretary of State. (Please note that the Certificate must bear the official State of California seal and that web screen prints from the Secretary of State of California website are not acceptable).
 - b. Certification of 501(c)(3) status from the Internal Revenue Service (if applicable, for any non-profit corporations).
 - c. Certification of 501(c)(3) status from the California Franchise Tax Board (if applicable, for any non-profit corporations).
 - d. The latest two (2) years of either:
 - i. signed federal income tax returns (including schedules or attachments, if any); or
 - ii. audited financial statements (with management letters, if any).

C. **Developer and Co-Developer Experience & Capacity**

- 1. **Developer and Co-Developer Experience (Narrative)**: Submit a narrative of no more than two (2) pages describing the relevant experience of the Developer and Co-Developer. The narrative should address:
 - a. Experience developing complex affordable housing projects on in-fill sites, and track record in delivering projects on schedule and within budget. As applicable, highlight experience in innovative projects addressing affordable housing challenges.
 - b. Experience effectively partnering with other developers and ways in which the experience of the Developer and Co-Developer is complementary and why it is relevant in preparing the team to successfully complete the Project.
 - c. Expertise in affordable housing finance and experience securing capital and operating sources anticipated for these Projects. As applicable, highlight any experience in successfully utilizing unique or innovative financing strategies.
 - d. Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.
 - e. Understanding of the Preference Holder program and relationships with organizations serving Preference Holders.
 - f. Relevant marketing experience, including Developer’s experience, if any, with successful targeted outreach to Preference Holders and with MOHCD’s electronic marketing and housing portal, DAHLIA.
 - g. Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.
- 2. **Developer and Co-Developer Experience in Comparable Projects (Attachment 3)**: Complete the Comparable Projects Experience Form for the Developer and Co-Developer. Developer and Co-Developer should use this chart to convey their experience in at least one (1) up to a maximum of two (2) projects completed within the past ten (10) years by the Developer and Co-Developer, that are *comparable* to the proposed Projects. For purposes of this RFQ, a comparable project would be an affordable family rental housing project of 100 units or more. Photos of projects may be included, but are not required.
- 3. **Developer and Co-Developer Workload Capacity (Attachment 2)**: Complete a Staffing Workload Form for the Developer and the Co-Developer. The forms must identify all staff members for each of the developer entities who will have a project management role.

4. **Developer and Co-Developer Experience in Other San Francisco Projects (Attachment 4):** Complete the San Francisco Projects Experience Form. Developer and Co-Developer should use this chart to describe their experience in any other projects developed within San Francisco only. Photos of projects may be included, but are not required.
5. **WCAP (Narrative):** Submit a WCAP of no more than three (3) pages describing the specific steps that the development team will take to meet or exceed the contracting and workforce obligations in **Attachments 11 through 17** of this RFQ and includes information regarding the following:
 - Demonstration of the Applicant’s knowledge and familiarity with OCII/City workforce and contracting policies and programs.
 - Clear identification of the WCAP Lead responsible for leading EOP compliance (this person(s) will be responsible for regular coordination with OCII on program implementation). This may be a staff member(s) at one or more of the Developers or an outside contractor. Describe the experience of the responsible party in this work and describe their preparation for undertaking this role, understanding of the program, capacity, and relevant experience.
 - Demonstration of the Developer and Co-Developer’s track record of prioritizing SBE participation in project development and construction. Highlight ways in which the Developer or Co-Developer will collaborate with partners to create meaningful SBE growth opportunities.
 - Identify specific implementation actions that the Applicant proposes to achieve the best results for meeting or exceeding the goals.

D. Architect’s Experience & Capacity

1. **Architect’s Experience (Narrative):** Submit a narrative of no more than two (2) pages describing:
 - a. **Relevant Experience:** Describe the Architect’s experience on affordable housing projects of a similar scale in San Francisco and/or in other urban settings. Explain how this experience has prepared the Architect for this opportunity. Include descriptions of the specific experience of staff members who will be assigned to the Project. Provide examples of the Architect preparing design submittals on an accelerated timeline and within constrained budgets.
 - b. **“Green” Experience:** Describe green building design experience and evidence of current Green Point Rated professionals, if any.
 - c. **Local Regulatory Experience:** Describe experience working with the San Francisco Department of Building Inspection and other permitting agencies, if any. Highlight any experience on projects that required re-zoning and CEQA analysis.
 - d. **Staffing Capacity:** Describe how the staffing capacity reflected in Attachment 2 is appropriate for this Project and is sufficient to meet the anticipated schedule.
 - e. **Racial Equity:** Describe the Architect’s efforts to improve diversity, equity and inclusion. This may include training programs, recruiting and hiring practices, staff training, and collaborations.
 - f. **Management of an Associate Architect:** Describe experience working with an associate architect(s) and how associate architects could be utilized on this Project.
2. **Architect’s Experience in Comparable Projects:**
 - a. **Project Descriptions:** On no more than one page for each project (including the photos described below), provide a description of at least one, but no more than three (3), completed comparable developments (preferably projects located in San Francisco). For all projects, include the design and development timelines, dates completed, and client contact information. Note any budget or financing constraints. If the Architect was not the sole architect, please describe the Architect’s role in the project.

- b. **Photos:** Submit three (3) photos of the interiors and exteriors of the comparable projects listed above, to display architectural design features, relationships of buildings and relationships with adjacent uses (other developments, streets, etc.).

3. **Architect's Workload Capacity (Attachment 2):** Complete the Staffing Workload Form. Include all staff members who will have a role on the Project.

E. Services Provider Experience and Capacity

1. **Service Provider's Experience (Narrative):** Provide a written narrative of no more than one (1) page describing the Services Provider's approach to providing services to residents of affordable housing.
- Experience in providing culturally competent supportive services and collaborating with parties from different disciplines (e.g. developers, property management agencies, government, outside service providers, etc.).
 - Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.
 - Services Provider's understanding of the challenges facing clients transitioning from homelessness to housing. Describe the provider's approach to addressing such challenges as they arise, including achievement and maintenance of housing stability, eviction prevention, and crisis intervention, prevention, and diversion.
 - Experience in/approach to serving clients with severe and persistent mental illness and those with substance use issues, as well as approach to providing harm reduction services in a housing setting.
 - Describe the organization's capacity provide services at new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff.
 - Confirm the Services Provider's conformance to the minimum qualifications listed in Section IV.F. Include at least two (2) letters of reference or the names, organizations, and contact numbers of two persons willing to act as a reference on your behalf. NOTE: References cannot be solicited from current clients. Please include a list of all programs you operate currently and the sites at which those programs operate. (This list may be included as an appendix.)
2. **Services Provider's Experience in Comparable Projects (Attachment 6):** Complete the Supportive Services Provider's Experience Form.

F. Property Manager Experience and Capacity

1. **Property Manager's Experience (Narrative):** Provide a written narrative of no more than one (1) page describing the Property Manager's relevant experience and approach to serving residents in affordable housing communities:
- Experience managing an affordable rental housing community serving a comparable tenant population, including buildings in which a portion of units are occupied by households who have experienced homelessness, and of a comparable scale.
 - Experience effectively collaborating with on-site and community supportive service providers. Provide examples of positive working relationships.
 - Policies and practices to ensure resident safety and stability.
 - Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.
 - Anticipated project management staffing, organizational capacity to take on new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff.
2. **Property Manager's Experience in Comparable Projects (Attachment 5):** Complete the Property Management Experience Form.

G. Other Required Information

1. **Disclosure Questions (Attachment 7):** Each Developer Entity, as defined in Section A of **Attachment 1**, Applicant Description Form, must complete and submit the Disclosure Questions. These questions are designed to identify any potential conflicts of interest and/or liability issues. A summary of Government Code Section 87103 containing the relevant portion of the Fair Political Practices Act is included as a footnote on the Disclosure Form for reference. ***Failure to include a complete, signed certification will disqualify the submittal.**
2. **Statement of Compliance with OCII Policies (Attachment 8):** The Developer must agree to comply with all of OCII's policies, including but not limited to, SBE Policy, Construction Workforce requirements, and insurance and indemnification requirements found in this RFQ and shall execute the statement of compliance certifying the same. ***Failure to include a complete, signed certification will disqualify the submittal.**
3. **Offer to Negotiate Exclusively**
 - a. **Form (Attachment 9):** The Applicant shall complete and submit the Offer to Negotiate Exclusively. The person signing this form must have the authority to bind the entire Applicant team. ***Failure to include a complete, signed Offer to Negotiate will disqualify the submittal.**
 - b. **Deposit:** The Applicant shall submit an "Offer to Negotiate Exclusively Deposit" in the amount of **One Thousand Dollars (\$1,000)** made payable by check to OCII as part of the qualifications submittal. This payment shall be refunded to all Applicants not selected by the OCII Commission. (It shall also be refunded in the event an Applicant selected by the OCII Commission does not obtain OCII Commission approval for development of the project.) ***Failure to include a valid "Offer to Negotiate Exclusively Deposit" will disqualify the submittal.**
4. **Submission Checklist (Attachment 10):** Complete and submit the Submission Checklist, certifying that all required items are contained in the qualifications submittal.

THIS IS THE END OF THE SUBMISSION REQUIREMENTS SECTION.

**ALL INFORMATION REQUESTED ABOVE IN SECTION V MUST BE SUBMITTED IN ORDER FOR A SUBMITTAL TO BE DEEMED COMPLETE.
APPLICANTS SCORES MAY BE NEGATIVELY IMPACTED BY ANY INCOMPLETE INFORMATION.**

SECTION VI. ADDITIONAL REQUIREMENTS

(for recommended Applicant only)

After the Evaluation Panel's interviews and presentation to the CAC, the Applicant recommended to the OCII Commission by the Executive Director shall then be required to submit the following additional information *prior to OCII Commission consideration*.

DO NOT SUBMIT THESE FORMS WITH THE INITIAL QUALIFICATIONS SUBMITTAL.

A. Nondiscrimination in Contracts & Benefits

The Applicant shall complete and submit Attachment 11, the Declaration of Nondiscrimination in Contracts and Benefits. OCII has established a policy prohibiting discrimination in contracting, which includes a prohibition on discrimination in providing benefits between employees with spouses and employees with domestic partners. For further information, see instructions contained in Attachment 11.

B. Small Business Enterprise Program

The Applicant shall complete and submit Attachment 12, the SBE Agreement. OCII has established a goal of 50 percent SBE participation on all construction, professional services, and supply contracts. OCII requires the Developer to perform extensive good faith efforts to include SBEs in the performance of any agreement resulting from this solicitation, and any subsequent agreements between Developer and its contractors or consultants. If SBE participation goals are not met, compelling good faith efforts must be documented and provided to OCII.

OCII strongly encourages the selected Applicant to create joint ventures or similar partnership relationships among non-SBE consultants and contractors with San Francisco-based SBEs looking to build capacity and gain experience. In particular, the successful Applicant shall cooperate with OCII and competitively solicit a general contractor with the intent of creating a joint venture or similar partnership opportunity, to the extent practicable and economically feasible, between a general contractor and an OCII-recognized SBE contractor. Furthermore, the successful Applicant shall cooperate and require the general contractor to exercise good faith efforts to select subcontractors who either are SBEs or, if they are not, are willing to create joint ventures or similar partnership opportunities with SBEs. In addition, the selected Architect will be expected to competitively solicit an associate architect and will work to define a scope that comprises approximately 35% of the overall design contract.

In accordance with OCII policy, the Developer shall give priority in awarding any contracts resulting from this solicitation in the following order: (1) Project Area SBEs, (2) local SBEs (outside an OCII Project, but within San Francisco), and (3) all other SBEs (outside of San Francisco). Non-local SBEs should be used to satisfy participation goals only if Project Area SBEs or local SBEs are not available or qualified, or if their bids or fees are significantly higher than those of non-local SBEs. OCII will accept the certifications of SBEs by the Contract Monitoring Division of the City and County of San Francisco and may accept SBE certifications from other agencies if the other agencies' small business size standard is consistent with OCII's. For further information see Attachment 12.

C. Construction Workforce Requirements

The Applicant shall comply with OCII's Construction Workforce Requirements to ensure that all contractors/subcontractors demonstrate good faith efforts to meet workforce hiring goals. OCII has established a workforce hiring goal of 50 percent for San Francisco residents.

D. Minimum Compensation Policy

The Applicant (including, as defined herein as the Developer, the Co-Developer, the Property Manager, the Services Provider, and Architect) shall complete and submit Attachment 13, OCII's Minimum Compensation Policy ("MCP") Declaration. The MCP requires the payment of a minimum level of compensation to employees for all consultants working on OCII funded projects.

E. Health Care Accountability Policy

The Applicant shall complete and submit Attachment 14, the Health Care Accountability Policy (“HCAP”) Declaration. The HCAP requires that contractors offer certain health plan benefits to their employees or participate in a health benefits program developed by the City’s Department of Public Health, or make a payment in lieu of such benefits to the City’s Department of Public Health.

F. Prevailing Wages

The successful Developer’s general contractor, including all members of any joint venture with SBEs, and their subcontractors shall comply with OCII’s Prevailing Wage Policy, which includes payment of the State of California’s prevailing wages.

G. Insurance & Indemnification

Beginning at the time of selection and throughout the course of development of the Projects, the selected Applicant must procure and maintain insurance in accordance with OCII’s policy, as the policy may be amended from time to time. Current insurance requirements are provided for reference as Attachment 20.

From the time of selection, the selected Developer team shall defend, hold harmless and indemnify OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description directly or indirectly arising out of or connected with the performance of OCII contract and any of the contractor’s operations or activities related thereto, excluding the willful misconduct or the gross negligence of the person or entity seeking to be defended, indemnified or held harmless.

SECTION VII. OCII DEPOSITS

Applicants are responsible for the following deposits, as well as any fees in connection to the required deposits:

A. Offer Deposit

An Offer to Negotiate Exclusively Deposit in the amount of One Thousand Dollars (\$1,000.00) made payable by check to the Office of Community Investment and Infrastructure is due at the time of qualifications submission. Applicants should include a copy of the check in their electronic submittal package and mail the check to:

Office of Community Investment and Infrastructure
Attn: Kim Obstfeld
Re: Mission Bay South Block 4 East RFQ
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

B. Performance Deposit (Selected Applicant Only)

If the OCII Commission approves entering into a development contract with the Applicant, then the Applicant shall deposit with OCII an additional Nine Thousand Dollars \$9,000.00 (“Additional Deposit”). The Additional Deposit shall be combined with the Offer to Negotiate Exclusively Deposit to form the performance deposit (“Performance Deposit”). The Performance Deposit shall be held by OCII until completion of the development.

SECTION VIII. ADDITIONAL TERMS & CONDITIONS

A. Selected Applicant’s Responsibility

The selected Applicant will be solely responsible for construction of all improvements according to OCII-approved construction documents, and in accordance with applicable City building codes. This includes, but is not limited to, all on-site improvements and any changes from existing conditions, including underground utilities, street lighting, curbs, gutters, street trees and sidewalks. The selected Applicant will be responsible for all transactional costs and

closing requirements, including, but not limited to, title insurance, escrow fees, parcel maps, etc. In addition, the selected Applicant will be responsible for payment of all applicable City fees and relevant transactional costs, including but not limited to: building permit fees, utility relocation and connection fees, subdivision fees, transfer taxes, and transit fees.

B. Applicant’s Duty of Loyalty

Applicant for itself and its contractors agree to abide by OCII’s duty of loyalty, which appears in OCII’s Personnel Policy (Prohibited Activities of Present and Former Employees, Commissioners and Consultants) and which states in part the following: “Unless approved in advance in writing by OCII, no present or former employee, Commissioner or consultant of OCII shall knowingly act for anyone other than OCII in connection with any particular matter in which OCII is a party, or has a direct and substantial interest, and in which he or she participated personally and substantially as an OCII employee, Commissioner or consultant whether through decisions, recommendations, advice, investigation or otherwise. Violation of this section by a present employee, consultant or Commissioner may, in the case of an employee or consultant, be grounds for discharge or termination of the consultant contract, and in the case of a Commissioner, be considered misconduct in office pursuant to [applicable law].”

C. OCII Non-Responsibility

OCII has no obligation to demolish any improvements on the Site, remove, relocate or install utilities, complete on-site or off-site preparation work or improvements, or make any changes whatsoever to existing conditions.

D. Geotechnical Investigations

All geotechnical investigation must be conducted by a licensed geotechnical engineer, retained by the Developers, to investigate and supervise excavation and recompaction efforts as necessary, which investigations may only occur upon the issuance of a permit to enter the Site by OCII.

E. Environmental Review Approvals

The selected Developers will be responsible for securing all environmental review approvals necessary to move forward with the development of the Site, in collaboration with OCII as described in Section II.A.7 above. These reviews may include the requirements of CEQA and/or NEPA, as applicable.

F. Accessibility Requirements

The selected Developers will be responsible for meeting all applicable accessibility standards related to publicly-funded multifamily housing development under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, the Fair Housing Amendments Act of 1988, and Title 24 of the California Code of Regulations. OCII requires an architect’s certification at the completion of project design and construction that the improvements built are in accordance with all local, state and federal laws and regulations with respect to access for persons with disabilities.

G. Applicant Expenses

The Applicant responding to this RFQ does so at its own expense. OCII will not consider any costs related to preparing the qualifications submittal or negotiating the development contract as reimbursable.

H. OCII Right to Modify or Suspend RFQ

OCII, through its Executive Director, reserves the right at any time, in its sole and absolute discretion, to modify or suspend any and all aspects of the selection process, including, but not limited to, this RFQ and all or any portion of the contractor selection process in or subsequent to the RFQ; to obtain further information from any Applicant member, to waive any defects as to form or content of the RFQ or any other step in the selection process; to reject any and all responses submitted; to reissue the RFQ; procure the desired services by any other means or not proceed in procuring the services; to negotiate with any, all, or none of the respondents to this RFQ as to fees, scope of services, or any other aspect of the RFQ or services; to negotiate and modify any and all terms of an agreement; and to accept or reject any Applicant.

I. Claims Against OCII

Each Applicant member, by responding to this RFQ, waives any claim, liability or expense whatsoever against OCII and its respective officers, commissioners, employees and agents by reason of any or all of the following: any aspect of this RFQ, the selection process or any part thereof, any informalities or defects in the selection process, the failure to enter into any agreement, any statements, representations, acts or omissions of OCII, the exercise of any discretion set forth or concerning any of the foregoing, and any other matters arising out of all or any of the foregoing.

List of Attachments

To be included in Submission Package:

Attachment 1:	Applicant Description Form
Attachment 2:	Staffing Workload Form
Attachment 3:	Comparable Projects Experience Form
Attachment 4:	San Francisco Projects Experience Form
Attachment 5:	Property Manager Experience Form
Attachment 6:	Services Provider Experience Form
Attachment 7:	Disclosure Questions
Attachment 8:	Statement of Compliance with OCII Policies & Certification of Applicant
Attachment 9:	Offer to Negotiate Exclusively
Attachment 10:	Submission Checklist

To be completed by recommended Developer only after evaluation and interviews:

Attachment 11:	Declaration of Nondiscrimination in Contracts and Benefits
Attachment 12:	Small Business Enterprise Agreement
Attachment 13:	Minimum Compensation Policy Declaration
Attachment 14:	Health Care Accountability Policy (HCAP) Declaration
Attachment 15:	Prevailing Wage
Attachment 16:	Permanent Workforce
Attachment 17:	Construction Workforce

For information purposes only:

Attachment 18:	Final Map Block 8711, Lot 029 (aka Block 4E)
Attachment 19:	OCII Block 4 East massing studies
Attachment 20:	OCII insurance requirements
Attachment 21:	Area Median Income 2023
Attachment 22:	Property Owner and Occupant Preference Program (Certificate of Preference Program)

Citywide Affordable Housing Loan Committee

Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller's Office of Public Finance

**Mission Bay South Block 4 East
Phase I and Partial Phase II Site
\$5,111,731
Predevelopment Loan**

Evaluation of Request for:	Predevelopment Loan
Loan Committee Date:	August 2, 2024
Prepared By:	Phillip C. Wong, OCII Development Specialist
MOHCD Asset Manager:	Rosanna Chavez
OCII Construction Representative:	Alicia Andrews
Sources and Amounts of New Funds Recommended:	Bond Proceeds
Sources and Amounts of Previous City Funds Committed:	None
NOFA/PROGRAM/RFP:	OCII RFQ, November 9, 2023
FY 23/24 ROPS Line:	436
Applicant/Sponsors(s) Name:	Curtis Development ("CD") and Bayview Senior Services ("BSS")

EXECUTIVE SUMMARY

Sponsors Information:

Project Name:	Mission Bay South Block 4 East	Sponsors(s):	CD & BSS
Project Address (w/ cross St):	1144 Third Street (bordered by Mission Rock Street to the North and China Basin Street to the south) APN 8711/029	Ultimate Borrower Entity:	Phase I: Mission Bay 4 East Associates, L.P. Phase II: Mission Bay 4 East Associates 2, L.P.

Project Summary:

Curtis Development (“CD”) and Bayview Senior Services (“BSS”) (together the “Sponsors”) responded to a Request for Qualifications (“RFQ”) issued by OCII in November 2023, and they were the recommended selection. Mission Bay South Block 4 East (the “Site” or “Block 4 East”) will be a two-phase project, providing approximately 400 affordable units with up to 165 units in Phase I and approximately 235 in Phase II (Block 4 East Phase I and Phase II are together “the Projects”, or “Phase I” and “Phase II”).

Phase I and Partial Phase II Predevelopment Loan (this request):

The Sponsors are requesting \$5,111,731 in predevelopment financing for the Projects. This loan will be disbursed as one (1) Phase I and Partial Phase II Site Predevelopment Loan with a loan condition 11.2.1.1 to maintain accurate accounting of Phase I, Phase II and shared costs/expenses for assignment to a future Phase II Predevelopment Loan. A future request from the Sponsors for Phase II Predevelopment Loan will assume Phase II expenses and a portion of the shared expenses between Phase I and Phase II incurred during the Phase I and Partial Phase II Site Predevelopment Loan period. The reason for a combined predevelopment loan is that (1) the Sponsors requested partial Phase II funding to achieve a 75% schematic design milestone (this request is sized accordingly) but the Phase II project is not ready for a full predevelopment loan evaluation; (2) there will eventually be two predevelopment loans, one for Phase I and one for Phase II; and (3) the Phase II project may change during this initial predevelopment phase with commensurate changes to the size of a future Phase II Predevelopment Loan.

Comprehensive Planning and Design: Because Phase I and Phase II will need to be planned and developed to ensure consistency in relationship between the Projects with respect to design, function, programming, and services, and in recognition that Phase I has full OCII entitlements and therefore more defined design and programming parameters, this request will allow the Sponsors to comprehensively plan, design and develop Phase I through a future construction gap financing request and Phase II up to a 75% schematic design milestone. The Sponsors anticipate a request for additional predevelopment funding in mid-2025, subject to Citywide Affordable Housing Loan Committee and OCII Commission review and approval.

Phase I: located on the southern, approx. 0.5 acre, portion of Block 4 East, Phase I will contain a 165-unit mixed-use affordable rental housing development serving Certificate of Preference Holders (“COP Holders”) as a significant OCII priority and low-income family households earning 30% to 80% of area median income (“AMI”) as published annually by the Mayor’s Office of Housing and Community Development (“MOHCD AMI”), with approximately 20% of units set aside to serve formerly homeless families, subsidized by the Local Operating Subsidy Program (“LOSP”). A subset of units may be restricted up to 95% MOHCD AMI depending on requirements by other financing sources. Phase I will target a unit mix of 25% one-bedroom, 50% two-bedroom, and 25% three-bedroom.

Phase II: located on the northern, approx. 0.5-acre, portion of Block 4 East, Phase II will be an approximately 235-unit mixed-use affordable rental housing development serving COP Holders as a significant OCII priority and low-income family households earning 30% to 80% MOHCD AMI, with approximately 20% of units set aside to serve formerly homeless families, subsidized by LOSP. A subset of units may be restricted up to 95% MOHCD AMI depending on requirements by other financing sources. Phase II will target a unit mix of 25% one-bedroom, 50% two-bedroom, 25% three-bedroom, and potentially some four- and five-bedroom units. Phase II will require amendments to the Mission Bay South Redevelopment Project Area documents to increase entitlement to allow for additional affordable housing units to be developed as well as OCII Commission approval of gap funding under replacement housing legislation (California Senate Bill No. 593). Note that the Phase II project is in a more preliminary stage of development therefore the timing and unit count may be adjusted during predevelopment.

Project Description:

Construction Type:	Type I	Project Type:	New Construction
Number of Stories:	Phase I: 13 Phase II: 23	Lot Size (acres and SF):	1.05 acre / 45,738 SF Phase I: 22,869 SF* Phase II: 22,869 SF*
Number of Units:	Phase I: 165; and Phase II: approx. 235	Architect:	Y.A. studio
Total Residential Area:	Phase I: 192,500 SF Phase II: 267,500 SF	General Contractor:	TBD
Total Commercial Area:	Phase I: 1,500 SF Phase II: 0 SF	Property Manager:	The John Stewart Company
Total Building Area:	Phase I: 194,000 SF Phase II: 267,500 SF	Supervisor and District:	Dorsey, D-6
Land Owner:	FOCIL-MB, LLC (will transfer to OCII)		

Total Development Cost (TDC):	Phase I: \$171.7M Phase II: \$236.9M	Total Acquisition Cost:	N/A
TDC/unit:	Phase I: \$1.04M Phase II: \$1M	TDC less land cost/unit:	Phase I: \$1.04M Phase II: \$1M
Loan Amount Requested:	Total: \$5,111,731 Phase I: \$3,500,000 Phase II: \$1,611,731	Request Amount / unit:	Phase I: \$21,212 Phase II: \$6,858
HOME Funds?	No	Parking?	Phase I: 33** spaces Phase II: 50** spaces **20% of units

**Phase I and II lot sizes reflect half of the overall Site, exact lot dimensions between Phase I and Phase II will be determined during predevelopment.*

PRINCIPAL DEVELOPMENT ISSUES

- **Development Team Staffing and capacity:**
 - **Issues:** Sponsors are smaller scale organizations with limited development staffing. Lead Developer, CD, is a small, BIPOC-led organization (sole proprietorship) and as such, may have difficulty meeting certain institutional and commercial financial underwriting standards, such as owner liquidity requirements for construction loans of the magnitude anticipated for Phase I and Phase II.
 - **Mitigations and Loan Conditions:**
 - CD hired a consultant, Jackson Rabinowitsh, to serve as project manager paid for out of developer fee. Jackson Rabinowitsh started on June 17, 2024.
 - BSS is seeking to hire development staff with assistance from CD in Summer 2024.
 - Sponsors will continue to assess the feasibility of various financial guarantor options and strategies provided to secure a commercial construction loan during the predevelopment period, the terms of conditions of which will be subject to OCII review and approval.
 - Recommended loan conditions include Sponsors submitting a written plan to secure financing commitments (11.2.1.2), and Sponsors staffing appropriately to ensure the successful completion of the Projects (11.2.5.5).
 - **Additional Detail:** Please see Section 1.2 (Borrower/Grantee Profile) for further information.
- **Long-term Asset Management:**
 - **Issue:** The Sponsors are evaluating long-term asset management strategies for the Projects as neither currently has in-house asset management staffing.
 - **Mitigations and Loan Condition:** Sponsors to provide a detailed plan for long-term asset management for OCII and MOHCD review and approval prior to gap financing (11.2.5.2) with a preliminary plan provided in Attachment D of this Loan Evaluation.
 - **Additional Detail:** Please see Attachment D for further information.
- **Maximize Site Potential and Redevelopment Plan Expiration:**
 - **Issue:** OCII's affordable housing authority is limited to 165 units under the Mission Bay South Redevelopment Plan and Owner Participation Agreement ("OPA"). To utilize the Site to its fullest potential, OCII, in collaboration with the Sponsors, will need to secure amendments to increase units and to extend the Redevelopment Plan (currently expires in 2028).

- **Mitigations:** OCII has initiated negotiations with the master developer on an OPA amendment and has begun environmental review work for future Redevelopment Plan amendments. OCII believes that there is a strong likelihood of securing a plan amendment in 2025 that will increase the affordable housing entitlement for the Project Area and allow for Phase II.
- **Additional Detail:** Please see Section 4.1 (Site Control) for further information.
- **Replacement Housing Bond Allocation:**
 - **Issue:** OCII is still determining details on implementation, prioritization, bond issuance sizing, and timeframe under Senate Bill No. 593 to support additional housing in existing Project Areas, such as Mission Bay South. Prioritization and timing of bond issuance is anticipated to be known in January 2025 and is necessary as a permanent source for Phase II financial feasibility.
 - **Mitigations:** OCII is working with the Mayor's Budget Office to determine the timing and amount of the initial bond issuance under SB 593 given the timing constraints of the Redevelopment Plan area, the needs of the Project and the current City budget.
 - **Additional Detail:** Please see Section 1.1.2 (Replacement Housing) for further information.
- **Community Concerns:**
 - **Issue:** Some members of the Mission Bay community have been vocal in their concerns for the project with respect to the inclusion of permanent supportive housing units and the potential for disruptive behavior observed and documented in other developments with permanent supportive housing although such developments are not representative of the family population the Projects will serve.
 - **Mitigations and Loan Condition:** OCII staff and the Sponsors have and will continue to engage with the community to address concern and solicit feedback on elements of the design and programming, as appropriate, and in coordination with HSH where appropriate (11.2.7.1). In addition, the Sponsors will lead an outreach effort that will seek to respond to concerns, identify and work through key issues, and educate community members on various aspects of the development plans (11.2.7.1). Further, there are several projects in the Mission Bay South project area with successful mixed population residential projects including, 1180 Fourth Street, 1150 Third Street, 626 Mission Bay Boulevard North, and 691 China Basin.
 - **Additional Detail:** Please see section 3.1 (Prior Outreach) for further information.

SOURCES AND USES SUMMARY

Phase I and Partial Phase II Site Predevelopment Loan (this request)

Predevelopment Sources	Amount	Terms	Status
OCII	\$5,111,731	3 years @ 3% deferred	This Request
Total	\$5,111,731		

Predevelopment Uses (Phase I)	Amount	Per Unit	Per SF
Architecture & Engineering	\$2,150,000	\$13,030	\$11
Other Soft Costs	\$675,000	\$4,091	\$3
Developer Fee	\$675,000	\$4,091	\$3
Phase I Subtotal	\$3,500,000	\$21,212	\$18

Predevelopment Uses (Partial Phase II Site)	Amount	Per Unit	Per SF
Architecture & Engineering	\$1,220,500	\$5,193	\$5
Other Soft Costs	\$159,500	\$679	\$1
Developer Fee	\$231,731	\$986	\$1
Partial Phase II Site Subtotal	\$1,611,731	\$6,858	\$6
Total	\$5,111,731	\$13,118	\$11

Phase I

Permanent Sources	Amount	Terms	Status
OCII	\$56,267,453	55 yrs @ 3% / Res Rec	Not Committed
Federal Tax Credit Equity	\$78,813,843	\$0.94/credit, 4% credit rate (estimate)	Not Committed
CalHFA Perm Loan	\$10,000,000	30 yrs @ 7.15%	Not Committed
CalHFA MIP	\$4,000,000	30 yrs @ 3% / Res Rec	Not Committed
Deferred Developer Fee	\$700,000	15 yrs @ 50% distribution of surplus cash to Sponsors; at Year 15 or earlier if Deferred Fee is paid, 50% of surplus cash distributed to Sponsors	Not Committed
AHP	\$2,000,000	Grant	Not Committed
State Tax Credit Equity	\$19,998,000	\$0.80/credit (estimate)	Not Committed
Total	\$171,779,296		

Permanent Uses	Amount	Per Unit	Per SF
Hard Costs	\$135,507,821	\$821,260	\$713
Soft Costs	\$32,058,305	\$194,293	\$169
Reserves	\$663,170	\$4,019	\$3
Developer Fee	\$3,550,000	\$21,515	\$19
Total	\$171,779,296	\$1,041,087	\$904

Phase II

Permanent Sources	Amount	Terms	Stat
OCII	\$87,109,151	55 yrs @ 3% / Res Rec	Not Committed
Tax Credit Equity	\$108,610,497	\$0.94/credit, 4% credit rate (estimate)	Not Committed
CalHFA Perm Loan	\$14,100,000	30 yrs @ 7.15%	Not Committed
CalHFA MIP	\$4,000,000	30 yrs @ 3% / Res Rec	Not Committed
Deferred Developer Fee	\$1,175,000	15 yrs @ 50% distribution of surplus cash to Sponsors; At Year 15 or earlier if	Not Committed

		Deferred Fee is paid, 50% of surplus cash distributed to Sponsors	
AHP	\$2,000,000	Grant	Not Committed
State Tax Credit Equity	\$19,998,000	\$0.80/credit (<i>estimate</i>)	Not Committed
Total	\$236,992,648		

Permanent Uses	Amount	Per Unit	Per SF
Hard Costs	\$189,141,842	\$804,859	\$701
Soft Costs	\$42,207,992	\$179,608	\$156
Reserves	\$917,813	\$3,906	\$3
Developer Fee	\$4,725,000	\$20,106	\$18
Total	\$236,992,648	\$1,008,479	\$878

1. BACKGROUND

1.1. Project History Leading to This Request.

1.1.1. **Housing Production in the Mission Bay Project Area**

Block 4 East is part of the Mission Bay South Redevelopment Project Area that was administered by the former San Francisco Redevelopment Agency (“SFRA” or “Agency”). Pursuant to state law, redevelopment agencies throughout the State of California dissolved on February 1, 2012, under California Health and Safety Code §34161 et seq. (the “Redevelopment Dissolution Law”). OCII is the Successor Agency to SFRA and is responsible for implementing SFRA’s enforceable obligations. On January 24, 2014, the California Department of Finance determined “finally and conclusively” that the Mission Bay South Owner’s Participation Agreement (“OPA”) and tax allocation pledge agreement are enforceable obligations under Assembly Bill (“AB”) 26 and AB 1484. FOCIL-MB, LLC (“FOCIL”) is the Master Developer of the Mission Bay redevelopment district.

The Redevelopment Plan authorizes approximately 3,550 residential units to be constructed in the Project Area. Under the OPA, certain sites were pre-selected for the development of OCII-sponsored affordable housing (“Affordable Housing Parcels”). The OPA establishes that up to 1,218 units may be developed on these sites. To date, 905 units have been completed on Affordable Housing Parcels, and another 148 are under construction (on Block 9a), for a total of 1,053 units. Thus 165 units remain to be developed. There are two remaining Affordable Housing Parcels – Block 4 East (subject of this request) and Block 12 West, for which OCII will conduct an RFQ process to select a development team in the near future.

1.1.2. Replacement Housing

Senate Bill (“SB”) No. 593, approved in 2023, authorizes OCII to use a limited form of tax increment financing to fund and develop 5,842 units that the Agency destroyed in the 20th Century and that were never replaced. SB 593 authorizes debt financing secured by redevelopment property tax increment that would otherwise be allocated to the City and County of San Francisco after other existing obligations of OCII are paid. Since the approval of SB 593, OCII staff has sought community input on its implementation and is working with the City on revenue estimates to determine the potential amount and timing of the first bond issuance. Through workshops with OCII staff and OCII Commission, the preliminary recommendation from OCII Staff is to prioritize additional housing in existing Project Areas, such as Mission Bay South in which development opportunities exceed current OCII authority.

1.2. Applicable NOFA/RFQ/RFP. (Please see Attachment E for Threshold Eligibility Requirements and Ranking Criteria)

In November 2023, OCII issued a Request for Qualifications (“RFQ”) seeking a team to develop, own, and operate affordable family rental housing units, including units set aside for households experiencing homelessness, at Block 4 East, with qualifications submittals due in January 2024. OCII received four submittals, all of which were deemed complete. An evaluation panel comprised of staff from OCII, MOHCD, the Department of Homelessness and Supportive Housing (“HSH”), and a member of the Mission Bay Citizens Advisory Committee (“CAC”) recommended the development team led by the Sponsors.

1.3. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

Phase I and Partial Phase II Site Predevelopment Loan borrower entity is Mission Bay 4 East Associates, L.P., and the Administrative General Partner will be CD MB4E, LLC, a subsidiary of Curtis Development. The Managing General Partner will be BHPMSS MB4E, LLC, a subsidiary of Bayview Senior Services, and a future Tax Credit Limited Partner to develop, own and operate Phase I.

A Phase II borrower entity will be formed when the Sponsors apply for additional Phase II predevelopment funding and will follow a similar structure to the Phase I and Partial Phase II Site Predevelopment Loan borrower. The Phase II borrower entity, when applying for Phase II predevelopment funding, will assume portions of this loan’s scope and expenditures allocated to Phase II.

CD and BSS have significant experience in San Francisco, including many properties developed in collaboration with OCII and MOHCD.

CD is led by Charmaine Curtis, an African American Developer with over 35 years of experience developing affordable housing. CD has developed 14 projects in San Francisco, notably the Mission Bay South Block 9a or 400 China Basin 100% affordable condominium project in partnership with Michael Simmons Property Development, Inc., and the 203 unit, MOHCD-funded 921 Howard Project, completed in 2023, in partnership with Tenderloin Neighborhood Development Corporation.

Jackson Rabinowitsh, a consultant to CD paid through developer fee, will be the lead Project Manager dedicating 75% of his time on the Project with Charmaine Curtis dedicating approximately 50% of her time.

Jackson Rabinowitsh was formerly a Senior Project Manager with Tenderloin Neighborhood Development Center (“TNDC”) and was the day-to-day lead on several MOHCD-funded projects including 921 Howard Street and 2550 Irving Street. He also held several roles with the Santa Clara Housing Authority, Hello Housing, Habitat for Humanity Greater San Francisco, and BRIDGE Housing Corporation. (Please see Attachment C – Development Staff Resumes)

BSS has served the Bayview Hunters Point community for 53 years and provides supportive services in 5 completed projects with 2 more in development. BSS is managing general partner for four developments – one of which is under construction in the Hunters Point Shipyard Project Area, Blocks 52 and 54. BSS will provide resident services to low-income families and formerly homeless families. BSS has significant expertise and experience working with COP Holders.

The John Stewart Company (“JSCo”) will be the property manager for the Project.

Cathy Davis, Executive Director of BSS, will dedicate approximately 15% of her time to the Project. Janet Brown, Housing Director with BSS, will dedicate approximately 5% of her time to the Project, and Careem Conley, Housing Development Manager with BSS, will dedicate approximately 10% of his time to the Project. BSS intends on hiring a project manager in Summer 2024 to provide additional staffing capacity for the Project. The Sponsors have executed a Memorandum of Understanding (“MOU”) that outlines their respective roles and responsibilities in the planning, development, and management of the Project, summarized as follows:

CD:

- Contract negotiation including loan terms and ground leases;
- Competitive solicitation and selection of consultants;
- Entitlement modifications;
- Lot subdivision and streetscape improvement design;
- Design, construction and workforce and contracting oversight; and
- Financing applications, and negotiation of financing terms with prospective lenders and equity investors.

BSS:

- Outreach efforts related to entitlement activities;
- Identifying and locating COP Holders and overseeing readiness to apply for housing;
- Coordination with JSCo on early outreach, especially to COP Holders, and marketing and lease-up;
- Services plan and services budget development; and
- Input on construction/development-related activities.

The overall and predevelopment developer fee for the Project will be split 25% to BSS and 75% to CD, and while the policy recommendation is for a 50%/50% split the Sponsors are both smaller, BIPOC-led organizations unlike other partnerships and CD will be carrying a majority of the costs during the predevelopment period. The overall and predevelopment developer fee split was agreed upon by the Sponsors and was a part of their RFQ response.

1.3.1. Past Performance.

1.3.1.1. City audits/performance plans.

Bayview Senior Services

BSS is a long-standing grantee of MOHCD under both Housing Place Based Services and Home Modifications for MOHCD-Housing Services.

Housing Place Based Services

BSS provides on-site Housing Retention/ Stability services for Alice Griffith (e.g., tenant engagement, service connection, and community building) and access/support for seniors across all four HOPE SF projects. BSS employs staff who have lived experience and trusting relationships with the populations they serve. According to MOHCD, BSS is accountable and responsive to partners (i.e., community and City).

Home Modifications

MOHCD introduced BSS to Rebuilding Together as a community partner under MOHCD's Senior Home Modification program focused on BIPOC homeowners. BSS supported outreach and engagement for BIPOC homeowners in their housing modification program.

Access to Opportunity Program

BSS' Access to Opportunity Program focuses on housing access and stability, with services are geared toward a primarily senior population with fixed or no income. While the contract initially had some performance issues, MOHCD has been providing technical assistance to BSS and BSS raised their FY23-24 compliance numbers tremendously.

MOHCD Annual Fiscal Monitoring

A fiscal monitoring letter dated June 14, 2024, provided an assessment regarding BSS daily cashflow as it pertains to BSS’ program services. According to BSS’ 2023 audit, they had less than 3 days of operating cash (they are required to have 30 days of operating cash). BSS provided a City Audit response on July 15, 2024, the deadline to respond to the finding and provide a plan to increase their operating cash. BSS’ response stated:

“BSS Staff will do all of our billing in a timely manner to ensure the best cash flow possible. Given the agency’s multiple programs, getting additional funds to set aside for cash flow is extremely challenging. We will increase our fundraising and grant writing efforts to have additional resources to increase cash flow over the coming year.”

City funding departments will provide a final status letter based on BSS’ response by close out for fiscal monitoring on July 31, 2024. Please see Loan Conditions 11.2.7 in Section 11.2 Recommended Loan Conditions which will require BSS to report to OCII by end of calendar year 2024 to report on status of operating cash finding from 2023 City Audit.

The following is a record of the organization’s operating cash from their audits from FY 19-20 through FY 20-23.

Agency Name	For Period ended	Material weaknesses or going concern?	Audit findings?	Days of operating cash
Bayview Hunters Point Multipurpose Senior Services, Inc. (d.b.a BSS)	6/30/2023	No	No	2.14
Bayview Hunters Point Multipurpose Senior Services, Inc. (d.b.a BSS)	6/30/2022	No	No	23
Bayview Hunters Point Multipurpose Senior Services, Inc. (d.b.a BSS)	6/30/2021	No	No	259
Bayview Hunters Point Multipurpose Senior Services, Inc. (d.b.a BSS)	6/30/2020	No	No	20

MOHCD’s assessment is that in general BSS does very good work in community and in delivery of services.

Curtis Development

CD does not currently have any contracts with MOHCD, but is currently co-developing an affordable homeownership project, Mission Bay South Block 9A with OCII-provided loans and is an OCII-supported project. CD was also the co-developer for 921 Howard with MOHCD. At the time of this loan evaluation there are no open performance issues to address.

1.3.1.2. Marketing/lease-up/operations.

CD is a co-owner of a 162-unit market rate project in Oakland. There are approximately 285 people residing in the building. CD is co-developer of 921 Howard (203 units, 355 residents) but does not currently have a partnership interest in that project. No racial information for these projects were available or collected at the time of this loan evaluation.

BSS and JSCo both have experience in marketing and lease up in San Francisco and JSCo has extensive operating experience in San Francisco. JSCo and BSS have similar property management and services coordination roles at other projects including Alice Griffith, Candlestick Heights, and Dr. George W. Davis Senior Residences. Racial Information from Dr. George W. Davis Senior Residences and JSCo for Candlestick Heights:

Project	Dr. George W. Davis Senior Residences	Candlestick Heights	Total
Units	120	196	316
Hispanic/Latino	9	78	87
Non-Hispanic/Latino	0	504	504
American Indian/Alaskan	2	0	2
Asian	14	162	176
Black/African American	91	160	251
Hawaiian/Pacific Islander	2	12	14
White	8	18	26
Other	5	197	202
None	0	38	38
Multi-Race	0	5	5
Evictions	2	0	2

BSS is a majority BIPOC-operated organization with a history of serving and providing meaningful employment opportunities to BIPOC staff.

2. SITE (Please see Attachment E for Site map with amenities)

Site Description	
Zoning:	Zoning for the site is form-based and is governed by the Redevelopment Plan for the Mission Bay South Redevelopment Project and the Design for Development (“D4D”) for the Mission Bay South Project Area. Height limits are calculated as averaged by block (not parcel) and are as follows: the maximum building height for buildings facing China Basin Street and Mission Rock Street shall be 65-feet, and a mid-rise height of up to 90-feet and a tower-height of 160-feet is allowed. 100% lot coverage is allowed up to a maximum height of 40-feet; above 40-feet, 75% lot coverage is allowed.
Maximum units allowed by current zoning (N/A if rehab):	The maximum number of units on the site is based on form-based zoning, so while there is no set maximum number, the number of units is limited by what can fit within the site’s height and bulk restrictions per the D4D and also by OCII’s current entitlement under the Redevelopment Plan and OPA. CD and BSS will work with OCII staff to pursue a D4D amendment and potential entitlement actions to increase maximum unit counts.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	Seismic Zone 4
Soil type:	According to the Mission Bay Final Subsequent Environmental Impact Report (“FSEIR”) Block 4 East was submerged in shallow water in Mission Bay before it was filled. Existing data in the vicinity indicate there is about 15 to 36 feet of fill. The fill is underlain by weak compressible clay known as Bay Mud with thicknesses of 80 to 120 feet.

	<p>The Sponsors will assemble a consultant team and will perform a geotechnical analysis during predevelopment, and CD has experience with structural issues related to Mission Bay South Block 9a.</p>
<p>Environmental Review:</p>	<p>As part of its actions on September 17, 1998, establishing the Mission Bay Redevelopment Project Areas, the Redevelopment and Planning Commissions certified the FSEIR, adopted findings under the California Environmental Quality Act (“CEQA”), adopted a series of mitigation measures, and established a comprehensive system for mitigation monitoring. The Board of Supervisors and other City departments adopted similar findings and mitigation monitoring plans.</p> <p>CD and BSS will work with OCII staff to ensure that the mitigation monitoring measures are appropriately documented and implemented. OCII Staff is working with an Environmental Consultant, ICF, to prepare a Phase I analysis for the property and will work with the Sponsors to order a Phase II analysis, if necessary.</p>
<p>Adjacent uses (North):</p>	<p>Block 3 East, 1150 Third Street, a 118-unit mid-rise 100% affordable rental building for unhoused veterans and low-income families known as the “Edwin M. Lee Apartments” that was completed in 2021.</p>
<p>Adjacent uses (South):</p>	<p>Block 7 East, 540 Mission Bay Boulevard North, an institutional building providing 80 temporary housing units for families receiving medical treatment in San Francisco known as “Nancy & Stephen Grand Family House” that was completed in 2016.</p>
<p>Adjacent uses (East):</p>	<p>Public Safety Building, which contains a police and fire station.</p>
<p>Adjacent uses (West):</p>	<p>Block 4 West, 1201 4TH Street, a 192-unit mid-rise market-rate rental building known as “Strata at Mission Bay Apartments” that was completed in 2009.</p>

<p>Neighborhood Amenities within 0.5 miles:</p>	<p>Supermarkets: Gus’s Community Market at 4th and Channel Streets, 0.2 miles from the site Safeway at 4th and King Streets, 0.5 miles from the site. Pharmacy: two (2) pharmacies are located just over 0.5 miles from the site: (1) Walgreens at 4th and Townsend Streets, and (2) Safeway at 4th and King Streets. Library: The San Francisco Public Library: Mission Bay is located 0.4 miles from the site at 4th and Berry Streets. Parks: Mission Creek Park is 0.4 miles from the site at Channel Street Channel Street Dog Park is 0.2 miles from the site at Long Bridge Street and Corinne Woods Way; Mission Bay Kids’ Park is 0.2 miles away from the site at Long Bridge and China Basin Streets; Mission Bay Commons is 0.4 miles away from the site at 3rd Street and Mission Bay Boulevard North; Bay Front Park is 0.4 miles away from the Site at Terry Francois Boulevard and Warriors Way (the San Francisco Bay Trail can be accessed from this park).</p>
<p>Public Transportation within 0.5 miles:</p>	<p>The Site is located directly adjacent to the southbound Mission Rock T-Third Light Rail stop and 0.5 miles from the San Francisco Caltrain station on 4th Street between King and Townsend Streets; also, adjacent to stops for the MUNI 91-3rd-19th Avenue OWL bus line.</p>
<p>Article 34:</p>	<p>Exempt. Pursuant to SB 469. Will be reevaluated during predevelopment pursuant to MOHCD and City Attorney determinations.</p>
<p>Article 38:</p>	<p>Exempt. Project is new construction and is outside the exposure zone map area.</p>
<p>Accessibility:</p>	<p>Project will provide at least 15% of tax credit units with mobility features (California Building Code 11B 809.2 through 11B 809.5) and at least 10% of tax credit units will have communication features to be accessible for persons with hearing or visual disabilities. Adaptability requirements will be determined</p>

	by the San Francisco Mayor’s Office on Disability.
Green Building:	Per the RFQ, the building must either achieve a Green Point Rating of 125 or above, or LEED “Gold” rating, and OCII will seek to maximize the overall sustainability of the Project to the extent possible through the integrated use of “green” building elements, which may include natural ventilation, daylighting, water conservation, and use of resource efficient and healthy building materials.
Recycled Water:	Not exempt. The Project falls within the boundaries of the SFPUC Designated Recycled Water Use Areas, and therefore will be required to comply with the City’s Recycled Water Ordinance or Reclaimed Water Use Ordinance Nos. 390-91 and 391-91 through the design and installation of dual plumbing for recycled water use (“purple pipe”) to recycle wastewater (“grey water”) within the project (e.g., for landscape irrigation, toilet and urinal flushing, cooling, decorative fountains).
Storm Water Management:	Developments that disturb 5,000 square feet or more of the ground surface must comply with SFPUC Storm Water Design Guidelines and submit a Storm Water Control Plan to the SFPUC for review. The Sponsors will meet with SFPUC during the predevelopment period.

2.1. Zoning.

Land use restrictions and design guidelines in the Mission Bay South Project Area are defined in the Mission Bay South D4D. The D4D document supersedes the San Francisco Planning Code in its entirety. The Sponsors intend to work with OCII staff to potentially amend the D4D’s height and bulk restrictions pending initial concept and schematic design.

2.2. Local/Federal Environmental Review.

CEQA clearance for overall development in the Mission Bay Redevelopment Project Area was obtained through the Mission Bay FSEIR adopted by the Commission of the former Redevelopment Agency of the City and County of San Francisco on September 17, 1998, by

Resolution No. 190-98. However, further environmental evaluation may be needed for any height/bulk increases and for the addition of units beyond those anticipated under the Redevelopment Plan.

To address this, OCII is pursuing a statutory exemption to CEQA under State Assembly Bill 1449 which went into effect in January 2024 and would allow the Project to be exempt from CEQA as an 100% affordable rental project. A CEQA Exemption Findings Report including Tribal Notification and Cultural Resources Consultation is currently being assessed and drafted by OCII's CEQA consultant pursuant to AB 1449 and will be subject to action by OCII Commission.

National Environmental Policy Act ("NEPA") clearance will be required for CalHFA-Mixed-Income Program and incorporated in predevelopment budget.

2.3. Environmental Issues.

- Phase I/II Site Assessment Status and Results.

OCII staff are coordinating with an environmental consultant, ICF, to prepare a Phase I study, and the Sponsors will order a Phase II study, if necessary.

- Potential/Known Hazards.

Soil contaminants currently exist in the Project Area and are assumed to exist at the Site. The principal chemicals that have been detected in the Project Area are petroleum hydrocarbons and inorganic compounds (e.g., heavy metals). Additionally, asbestos was detected in the soil primarily from serpentine rock, which was imported to fill Mission Bay. No significant concentrations of Volatile Organic Compounds ("VOCs") were detected in soil or groundwater. Limited concentrations of select VOCs, such as benzene, were found around the former petroleum storage facilities in the Mission Bay South Redevelopment Project Area, but are not expected to affect the Site.

2.4. Adjacent uses and neighborhood amenities. See table above.

2.5. Green Building. See table above.

3. COMMUNITY SUPPORT

3.1. Prior Outreach.

OCII staff attended the Mission Bay Citizens Advisory Committee ("CAC") in September 2023 to provide an informational update on the RFQ process, and in May 2024 to provide an informational update on the RFQ Evaluation Panel recommendation and a brief discussion on overall site program and vision for a two-phase, two-building development. As noted in the "Principal Development Issues", some members of the Mission Bay community have been vocal during CAC meetings with concerns around serving formerly homeless people. OCII staff and the Sponsors have

noted these concerns and are working with HSH on potential mitigations via services plan and services budget formation to inform addressing continued community feedback on the Project.

3.2. Future Outreach.

The Sponsors, as part of a loan condition in Section 11.2, will prepare a draft community outreach plan that calls for multiple initial meetings with groups of stakeholders, such as homeowners associations, business groups and community organizations. There will be particular and significant emphasis on early and consistent outreach to COP Holders as well as counseling and financial training to extensively prepare COP Holders for rental readiness and solicit feedback on AMI mix, building amenities, unit design and other COP Holders' needs.

In addition, the Sponsors will provide interim project updates to the CAC on Phase I and Phase II to discuss the proposed massing and program, a schematic design workshop, a schematic design action item, and any updates on entitlement actions. Any design workshop will include the community at large.

3.3. 1998 Proposition I Citizens' Right-To-Know. Proposition I is not applicable in OCII project areas.

4. DEVELOPMENT PLAN

4.1. Site Control.

4.1.1. Current and Future Site Control

FOCIL, the master developer of Mission Bay South, currently owns the Site. Pursuant to the Mission Bay OPA and a recorded Memorandum of Option ("Option"), the entire Site will be transferred at no cost to OCII at construction closing for the development of affordable housing on Phase I. The OPA requires a 100-day notice to FOCIL to express OCII's intent to exercise the Option.

4.1.2. Proposed Property Ownership Structure

Immediately after FOCIL transfers the Site to OCII (concurrently with the close of construction financing for Phase I), OCII will enter into a long-term ground lease with Mission Bay 4 East Associates, L.P for the Phase I Project. While the structure is to be confirmed during predevelopment, OCII anticipates that the Phase I ground lease will include temporary access to the Phase II Site for construction staging purposes. OCII will enter into a separate long-term ground lease with the Phase II limited partnership at the close of construction financing for the Phase II Project.

OCII will retain ownership of the land until the project is transferred to MOHCD after permanent conversion, and the limited partnership(s) will own the improvements. If any air rights leases

are included, they will have 75-year initial terms with options to extend for another 24 years and will require annual base rent increases in accordance with MOHCD's Ground Lease Policy.

4.2. Proposed Design.

The initial concept massing for Phase I features a 13-story (168') building anchoring the corner of Third Street and China Basin Street with a 5-story tower over an 8-story mid-rise building with open space connections to the Phase II building. The initial concept massing for Phase II features a 23-story (238') building anchoring the corner of Third Street and Mission Rock Street, with a 15-story tower over an 8-story mid-rise building.

While financing and construction will be phased between Phases I and II, Site-wide planning and design is critical to ensuring a cohesive relationship between the Phase I and Phase II buildings.

Throughout Phase I predevelopment and Site-wide design and planning, Y.A. studio will continue to refine the basic concept design for Phase I and Phase II and will submit schematic designs for both phases for OCII review and approval.

Initial concept massing revealed that the additional height for Phase I would allow 50% of the Site to accommodate the remaining 165 units of Project Area affordable housing development authority, while maintaining the balance of the site for a larger Phase II.

The Sponsors' overall development vision for the Site focuses on being responsive to the history of displacement of African American households from prior redevelopment actions, the creation of a vibrant, multi-generational community through a village concept, and a two-phase project that prioritizes resident well-being through thoughtful building amenities and features and open spaces that are designed to serve a wide variety of ages and interests. Preliminary planned amenities provided in the Sponsors' RFQ response include:

- A variety of open spaces with different focuses including play areas, calming garden spaces, etc.
- Multi-functional community rooms with kitchens and flexible furniture arrangements
- Teen hangout room
- Homework rooms
- Remote work room
- Fitness room
- Playroom and outdoor play space for small children
- Senior room
- Media room for movie watching
- Ample services offices
- Multiple laundry rooms, ideally located adjacent to open spaces
- Generous lobby areas with package lockers

The Sponsors will lead and manage a subdivision mapping process as needed to create legal parcels to allow for the development of Phase I and Phase II in coordination with OCII and the City.

Phase I

Estimated Building Area square footages (Phase I)	RFQ*	TCAC
Minimum Unit SF by type	1 Bedroom: 500 2 Bedroom: 850 3 Bedroom: 1,100	1 Bedroom: 450 2 Bedroom: 700 3 Bedroom: 900
Residential SF:	192,500	-
Commercial SF**:	1,500	-
Building Total SF:	194,000	-

* The Project's RFQ prescribed minimum unit sizes which are larger than TCAC minimums.

** The Project's RFQ described 1,500 SF of neighborhood or community-serving commercial that will be included in either Phase I or Phase II. Currently shown in Phase I.

Phase II

Estimated Building Area square footages (Phase II)	RFQ*	TCAC
Minimum Unit SF by type	1 Bedroom: 500 2 Bedroom: 850 3 Bedroom: 1,100	1 Bedroom: 450 2 Bedroom: 700 3 Bedroom: 900
Residential SF:	267,500	-
Commercial SF**:	TBD	-
Building Total SF:	267,500	-

* The Project's RFQ prescribed minimum unit sizes which are larger than TCAC minimums.

Phase II will explore the potential for larger 4-bedroom unit and 5-bedroom unit sizes during Phase I and Partial Phase II Site Predevelopment.

** The Project's RFQ described 1,500 SF of neighborhood or community-serving commercial that will be included in either Phase I or Phase II. Currently shown in Phase I.

4.3. Proposed Rehab Scope. N/A

4.4. Construction Supervisor/Construction Representative's ("CR") Evaluation

The Phase I initial concept massing study proposes a 13-story (168'), Type I concrete building. The 165-unit Phase I development is scheduled to break ground in early 2027. The Phase II initial concept massing study proposes a 23-story (238'), Type I concrete building. The 235-unit Phase II development is scheduled to break ground in mid-2028. Y.A. studio, the Architect of Record, and the Sponsors, will procure a general contractor, in accordance with OCII's contracting and procurement

guidelines to provide preliminary estimates within a response to Request for Qualifications/Proposals anticipated after close of predevelopment financing.

Given that at this early stage of development the estimates provided are highly speculative, the designs will need to be further advanced for Sponsors to obtain more meaningful pricing. Sponsors and their architects must work closely with OCII construction management staff to evaluate all strategies to reduce overall costs to the project, including alternative materials, increasing or decreasing the number of units and methods to shorten the construction timeline, among others (Please see Section 11.2, Loan Conditions).

The projected Phase I hard cost of \$821,260 per unit is high relative to projects in the City's pipeline and does not include any escalation, though it does include 15% of bid, design, plan check, and hard cost contingencies in accordance with MOHCD underwriting guidelines.

The projected Phase II hard costs of \$804,859 per unit is high relative to projects in the city's pipeline and does not include any escalation, though it does include 15% of bid, design, plan check, and hard cost contingencies in accordance with MOHCD underwriting guidelines. Costs are driven in large part by the required Type I construction and the current high interest lending environment. The current valuation of the structural concrete and steel for these two structures represents a significant percentage of the total hard cost and is subject to a volatile raw material market. At 13-stories and 23-stories, Type I construction is necessary because the typical wood frame over concrete construction that is used for mid-rise residential buildings is limited to 7 stories (i.e., a maximum of 5 stories of Type III-A over 2 stories of Type-I podium).

Due to the Site's soil conditions, topography, and the proposed building height and type, the foundation will likely include 200-foot below ground surface piles for the unconsolidated soil in Mission Bay. The site's location also necessitates a design that will accommodate sea level rise, and thus portions of the ground floor will be raised 4-5 feet above grade, which further adds to costs.

The aforementioned Site conditions contribute to higher hard costs per unit compared with projects in other areas of San Francisco not dealing with significant substructure and foundation considerations. While the Sponsors' hard cost projections were informed by input by general contractors with high-rise expertise in the Mission Bay area, the Sponsors will endeavor to reduce the cost of this project as the Phase I and Phase II design evolves and the pricing can be further refined through subcontractor bids, early-design structural input and design-assist/design-build, and value engineering. Y.A. studio has co-designed another project in Mission Bay, 400 China Basin Street, and understands the special challenges presented by site conditions in this neighborhood.

4.5. Commercial Space.

- Space Description.
Phase I or Phase II: 1,500 SF of neighborhood- or community-serving space.
- Commercial Leasing Plan.
Commercial space will be community-serving and a plan for programming and leasing the spaces will be a condition of this loan (Please see Section 11.2 Recommended Loan Conditions).
- Operating Proforma.
Sponsors assume that space will be used as community-serving space and will not generate income/cash flow.
- Tenant Improvement Build Out. N/A

4.6. Service Space.

The anticipated services space will include offices for services staff and group programming.

4.7. Interim Use.

The Project site is currently serving as a surface parking lot. OCII has informed the Master Developer of need to terminate lease with parking operator anticipated for early 2027.

4.8. Infrastructure. N/A

4.9. Communications Wiring and Internet Access. The Sponsors will be required to comply with MOHCD Communications Systems Standards.

4.10. Public Art Component. N/A

4.11. Marketing, Occupancy, and Lease-Up

Tenants in the 20% of units for Phase I and Phase II serving formerly homeless family households will be referred to the Projects through the Coordinated Entry System ("CES"). All remaining affordable units will be marketed and leased through OCII's standard procedures, including early outreach to COP Holders, broad marketing and outreach, and applications and a lottery through DAHLIA (Database of Affordable Housing, Listings and Applications). In addition, applicants will be prioritized in accordance with housing lottery preferences.

As of April 19, 2019, the OCII Commission has authorized staff to apply the housing lottery preferences in City Affordable Housing Programs, as amended from time to time, to affordable housing approved by OCII, to the extent that those preferences are consistent with redevelopment plans, enforceable obligations, and applicable law. The preferences applicable for the Projects are:

1. COP Holders, including direct descendants of originally displaced individuals

2. Displaced Tenants Housing Preference for 20% of lottery units
3. Neighborhood Resident Housing Preference for:
 - a. 40% of lottery units if project does not include State funding sources
 - b. 25% of lottery units if project does include State funding sources (if such preference does not conflict with other financing sources).
4. San Francisco residents or workers
5. Members of the general public

One month after construction commencement, Sponsors must provide an Early Outreach Plan with an emphasis on outreach to and rental readiness and application preparation assistance for COP Holders. Sponsors must select a third-party housing counseling agency for these services and execute a memorandum of understanding (or similar document).

After the early outreach period, Sponsors will be required to prepare and implement a robust marketing plan. The Sponsors must provide notice of the rental opportunity through public meetings and mailings, and make support service staff available to prospective applicants, as they may require, for the purpose of assisting them throughout the applicant process and maximizing their participation.

Beginning in predevelopment, through construction and initial lease-up, and on an ongoing basis, OCII and MOHCD will require compliance with OCII, MOHCD, and HSH standards and protocols and regular communication and collaboration with staff from these agencies. Requirements will include early outreach planning and implementation, marketing planning and implementation, public lotteries for initial lease-up, appeals processing, lease-up, and ongoing wait list management.

4.12. Relocation. N/A

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Project Manager	Jackson Rabinowitsh, Consultant to CD	N	N
Architect	Y.A. studio	Y	N
Landscape Architect	TBD	TBD	TBD
Associate Architect	TBD	TBD	TBD
General Contractor	TBD	TBD	TBD
Owner's Rep/Construction Manager	TBD	TBD	TBD

Workforce and Contracting Consultant	Davis & Associates Communications, Inc.	Y	N
Financial Consultant	California Housing Partnership (“CHP”, formerly “CHPC”)	N	N
Legal	Gubb & Barshay	N	N
Property Manager	The John Stewart Company (“JSCo”)	N	N
Services Provider	BSS	N	N

5.1. Procurement Plan.

Sponsors are working with OCII’s Contract Compliance Team to issue an RFQ and Request for Proposals (“RFP”) for some of the above-listed consultants listed as “TBD” as well as design subconsultants and other consultants and professional services immediately after OCII Commission Approval of a Loan Agreement and Exclusive Negotiations Agreement, anticipated in September 2024.

5.2. Opportunities for BIPOC-Led Organizations.

The Sponsors and lead architect are African American-led firms and have expressed a strong commitment to furthering racial equity throughout all phases of the Project. The Sponsors, in collaboration with Davis & Associates Communications, Inc., will implement the Workforce and Contracting Action Plan for the Projects. Strategies to maximize small business and BIPOC-owned businesses will include targeted outreach and engagement, unbundled scopes, and strategic partnerships.

6. FINANCING PLAN (Please see Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

6.1. Prior MOHCD/OCII Funding:

There is no prior OCII funding. This predevelopment loan will be the first sum of money extended to this Project.

Disbursement Status.

This proposed Phase I and Partial Phase II Site Predevelopment Loan is the only predevelopment source for the Project. OCII staff recommends that the Loan Committee approve payment of costs dating back to Thursday, May 9, 2024, the date of the informational presentation staff provided to the Mission Bay Citizens Advisory Committee on the Evaluation Panel recommendation, so long as these previously incurred costs are deemed acceptable and correspond to the predevelopment budget attached herein (Please see Attachment I – Predevelopment Budget).

6.2. Fulfillment of Loan Conditions. N/A

6.3. Proposed Predevelopment Financing

6.3.1. Predevelopment Sources Evaluation Narrative

The proposed Predevelopment Loan is the only predevelopment source for the Project. However, because the recommended approach is a Predevelopment Loan for comprehensive planning, design and predevelopment for both Phase I and Phase II (partial), a recommended loan condition will allow any clearly tracked expenses incurred for Phase II to be attributed, allocated and assumed by a future Phase II Predevelopment Loan (please see Section 11.2 Recommended Loan Conditions). Although the Phase I and Partial Phase II Site Predevelopment Loan will have a single budget, percentage splits for site-wide costs will be assumed at 50%/50% but will be finalized during predevelopment with a requirement that Phase II costs remain consistent with OCII/MOHCD Underwriting Guidelines.

6.3.2. Predevelopment Uses Evaluation:

The Sponsors are seeking a Predevelopment Loan of \$5,111,731 in order to ensure continuity of design, programming, and services between Phase I and Phase II. The budget includes costs related to architectural and engineering expenses for design through construction documents (75% schematic design for Phase II), survey and engineering site studies, permit fees, legal fees, and a portion of the developer fee. As noted in Section 6.3.1 and in Section 11.2 Recommended Loan Conditions, the Sponsors will be required to keep an accurate accounting of expenses for future attribution to, allocation to and assumption by a future Phase II Predevelopment Loan.

Phase I Developer Fee

Sponsors are requesting a portion of at-risk developer fee to be made available as project management fee adding \$125,000 to the \$550,000 project management fee to be disbursed during predevelopment for a total of \$675,000. \$150,000 would be disbursed at predevelopment loan closing. The Sponsors are also requesting that \$525,000 of the project management fee be disbursed over 26 monthly payments during predevelopment to mitigate limited available working capital for BIPOC/emerging developers. However, if predevelopment activities extend beyond 26 months, there will be no change in the maximum amount of project management developer fee disbursed for the predevelopment period for Phase I. Any future updates to MOHCD's Developer Fee Policy will be implemented at Sponsors'

request for gap financing. Please see section 6.5.4 Developer Fee Evaluation for more detailed discussion.

Phase II Developer Fee

Sponsors are requesting a portion of Developer Fee for Phase II during the predevelopment period amounting to \$231,731 with \$50,000 disbursed at predevelopment loan closing and \$181,730 of the project management fee be disbursed over 9 monthly payments, to mitigate limited available working capital for BIPOC/emerging developers, with the remainder of Phase II Developer Fee included in a future mid-2025 request for Phase II predevelopment funding. However, if predevelopment activities extend beyond 9 months, there will be no change in the maximum amount of project management developer fee disbursed for the predevelopment period for Partial Phase II. Any future updates to MOHCD’s Developer Fee Policy will be implemented at Sponsors’ request for gap financing. Please see Section 6.5.4 Developer Fee Evaluation for more detailed discussion.

Predevelopment Budget			
Underwriting Standard	Meets Standard? (Y/N)	Phase I Notes	Phase II Partial Notes
Architecture and Engineering Fees are within standards	Y	A&E fees during predevelopment are \$2,150,000 (Please see Attachment I); Design Subconsultants within this budget amount will include Landscape Irrigation, Fire/Building Codes/Acoustical/MEPF, Electrical/Low Voltage, Specifications, Structural, Sustainability/LEED/Title 24, Waterproofing, Lighting, Geotech, Survey, Joint Trench and Civil. At this early stage of the project, Sponsors are using broad budget assumptions.	A&E fees during predevelopment are \$1,245,500 (Please see Attachment I); Design Subconsultants within this budget amount will include Landscape Irrigation, Structural, Geotech, Survey, Joint Trench and Civil. At this early stage of the project, Sponsors are using broad budget assumptions and intend on budgeting for

			additional consultants when making a request for additional Phase II predevelopment funding.
Consultant and legal fees are reasonable	Y	Consultant and Legal fees during predevelopment are \$209,500	Consultant and Legal fees during predevelopment are \$40,000
Entitlement fees are accurately estimated	Y	Entitlement Fees are \$12,000	N/A
Construction Management Fees are within standards Pre-Development \$24M+ \$4,200/month, \$50,400/Year	Y	Construction Management Fee is \$108,000 which meets the MOHCD Standard of \$4,200/month (assuming 30 months to Construction Start)	Construction Management Fee is budgeted to \$42,000 in this request until future approval of a Phase II Predevelopment Loan Request which meets the MOHCD Standard of \$4,200/month.
Developer Fee is within standards	N	Waiver requested. Please see discussion on Developer Fee in Sections 6.3.2, 6.5.4 and 11.2	Waiver Requested. Please see discussion on Developer Fee in Sections 6.3.2, 6.5.4 and 11.2
Soft Cost Contingency is 5-10% per standards	Y	Soft Cost Contingency is 5.3%	Soft Cost Contingency is 5.2%

6.4. Proposed Permanent Financing

Permanent financing is being presented to demonstrate the Projects' overall feasibility but not intended to be presented for Loan Committee approval at this time.

6.4.1. Permanent Sources Evaluation Narrative: The Borrower proposes to use the following sources to permanently finance the Projects:

Phase I

- **4% Tax Credit Equity (\$78,813,843)**: budget assumes pricing at \$0.94/credit, which may be conservative based on 2024 pricing for projects of a similar scale at Transbay Blocks 2 East and West but is reasonable given the early stage of development. Pursuant to Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions, Sponsors will provide the debt/equity requests for proposals for OCII review and will share responses and draft terms sheets.
- **State Tax Credit Equity (\$19,998,000)**: budget assumes award of State Tax Credit Equity if CalHFA MIP is awarded. The MIP pool currently contains \$200M with the Sponsors having recent experience with the MIP program. The Sponsors will be required to closely monitor funding program regulatory conditions and changes. The relatively small State tax credit ask should result in a more competitive MIP application. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.
- **CalHFA Permanent Loan (\$10,000,000)**: budget assumes a 30-year term with a 7.15% interest rate. CalHFA permanent loans are amortized over 40 years with a 17- or 30-year maturity. To be eligible, the Sponsors must use CalHFA as bond issuer, rather than MOHCD. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.
- **CalHFA Mixed-Income Program ("MIP") (\$4,000,000)**: budget assumes a 30-year term with a 3% interest rate. Must be paired with CalHFA's bond issuer program and permanent loan. Will require usage of 70% TCAC AMIs for a minimum of 10% of total units. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.
- **OCII Loan (\$56,267,453)**: approximately \$344k per unit. Structured as a loan with 3% interest.
- **AHP (\$2,000,000)**: budget assumes 100% of the maximum allowable award. Sponsors to evaluate Project scoring during each application period throughout predevelopment and apply as appropriate.

- **Deferred Developer Fee (\$700,000)**: budget currently meets 50% threshold and does not increase the MOHCD/OCII gap loan. This amount will be refined during predevelopment.
- **Construction Loan (\$89,281,326)**: while not a permanent source, the budget assumes a tax-exempt construction loan for a 39-month term at a 7.80% interest rate. Construction interest reserve is \$8,414,765. The Project compares similarly to the Transbay Block 2 East project, which requested gap financing with a \$98M construction loan with an interest rate of 7.4% for 30 months. When the Project applies for gap financing, a loan condition will require the Sponsors to provide debt/equity request for proposals for OCII review in addition to sharing responses and draft term sheets.
- **General Partner Equity**: the budget does not currently reflect a general partner equity contribution. Pursuant to Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions, Sponsors will review this prior to CDLAC/TCAC application submittal to determine if an equity contribution can be included with the intent of increasing tax credit basis.
- **AHSC/MHP Loan/Grant**: the budget does not currently include HCD sources AHSC or MHP, and as such the OCII subsidy per unit is higher. This loan will be conditioned on the Sponsors exploring these potential sources with MOHCD and OCII. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions prior to financing gap for further information.

Phase II

- **4% Tax Credit Equity (\$108,610,497)**: budget assumes pricing at \$0.94/credit, which may be conservative based on 2024 pricing for projects of a similar scale at Transbay Blocks 2 East and West. Pursuant to Loan Condition 11.2.3 in Section 11.2 Recommended Loan Conditions, Sponsors will provide the debt/equity requests for proposals for OCII review and will share responses and draft terms sheets.
- **State Tax Credit Equity (\$19,998,000)**: budget assumes award of State Tax Credit Equity if CalHFA MIP is awarded along with a tax-exempt bond, the perm loan, and residual receipts loan. The MIP pool currently contains \$200M with the Sponsors having recent experience with the MIP program. The Sponsors will be required to closely monitor funding program regulatory conditions and changes. The sizing of tax credit equity should result in a more competitive MIP application. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.

- **CalHFA Perm Loan (\$14,100,000)**: budget assumes a 30-year term with a 7.15% interest rate. CalHFA permanent loans are amortized over 40 years with a 17- or 30-year maturity. To be eligible, the Sponsors must use CalHFA as bond issuer, rather than MOHCD. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.
- **CalHFA MIP (\$4,000,000)**: budget assumes a 30-year term with a 3% interest rate. Must be paired with CalHFA's bond issuer program and permanent loan. Will require usage of 70% TCAC AMIs. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions.
- **OCII Loan (\$87,109,151)**: approximately \$372k per unit. Structured as a residual receipts loan with 3% interest.
- **AHP (\$2,000,000)**: budget assumes the maximum allowable award. Sponsors to evaluate Project scoring during each application period throughout predevelopment and apply as appropriate.
- **Deferred Developer Fee (\$1,175,000)**: budget currently meets 50% threshold and does not increase the MOHCD/OCII gap loan. This amount will be refined during predevelopment.
- **Construction Loan (\$123,189,147)**: while not a permanent source, the budget assumes a tax-exempt construction loan for a 39-month term at a 7.80% interest rate. Construction interest reserve is \$11,610,577. The Project compares similarly to the Transbay Block 2 East project, which requested gap financing with a \$98M construction loan with an interest rate of 7.48% for 30 months. When the project applies for gap financing, there will be a condition on the Sponsors providing debt/equity request for proposals for OCII review in addition to sharing responses and draft term sheets.
- **General Partner Equity**: the budget does not currently reflect a general partner equity contribution. Pursuant to Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions, Sponsors will review this prior to CDLAC/TCAC application submittal to determine if an equity contribution can be included with the intent of increasing tax credit basis.
- **AHSC/MHP Loan/Grant**: the budget does not currently include HCD sources AHSC or MHP, and as such increases the OCII subsidy per unit. This predevelopment loan will be conditioned on the Sponsors exploring these potential sources with MOHCD and OCII. Please see Loan Conditions 11.2.3 in Section 11.2 Recommended Loan Conditions prior to financing gap for further information.

6.4.2. CDLAC Tax-Exempt Bond Application:

The Sponsors have assessed preliminary CDLAC scoring for the Projects as follows. Scores will be reviewed and refined for both phases in anticipation of applications in April 2026 and April 2027 for the Phase I Project and Phase II Project, respectively. Compared to recent awards, these scores, especially the tiebreakers represent highly competitive projects, although these will need to be re-scored through predevelopment.

Phase I (April 2026 Application):

CDLAC Self-Score	
Opportunity Map Resource Level	Low-resource area
TCAC Housing Type (new construction only)	Large Family
Bond Allocation Request Amount	\$89M
Total Self-Score (out of 120 points)	119
Tiebreaker Score	117.58%

Phase II (April 2027 Application):

CDLAC Self-Score	
Opportunity Map Resource Level	Low-resource area
TCAC Housing Type (new construction only)	Large Family
Bond Allocation Request Amount	\$123M
Total Self-Score (out of 120 points)	119
Tiebreaker Score	129.51%

6.4.3. Commercial Space Sources and Uses Narrative: The Sponsors did not include a full commercial space operations budget and sources and uses evaluation as they do not expect to receive regular income from community-serving commercial spaces nor do the Sponsors expect to separate the commercial space as a separate air parcel. These assumptions will continue to be explored during pre-development with Loan Conditions 11.2.7 in Section 11.2 Recommended Loan Conditions to engage community on final use. Cold shell is budgeted in Construction Hard Costs - Permanent Sources and Uses.

6.4.4. Permanent Uses Evaluation:

Development Budget			
Underwriting Standard	Meets Standard? (Y/N)	Phase I Notes	Phase II Notes
Hard Cost per unit is within standards	N	Projected Hard Costs are \$821,260/unit (includes contingencies). Costs are 25% higher in comparison to other OCII/MOHCD projects and will be monitored closely during the predevelopment period. (Please see Section 4.4 CR Evaluation and Loan Conditions 11.2.7. in Section 11.2 Recommended Loan Conditions)	Projected Hard Costs are \$804,859/unit (includes contingencies). Costs are 22% higher in comparison to other OCII/MOHCD projects and will be monitored closely during the predevelopment period. (Please see Section 4.4 CR Evaluation and Loan Conditions 11.2.7. in Section 11.2 Recommended Loan Conditions)
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5%. Design, Bid, and Plan Check Contingencies total 9.8%.	Hard Cost Contingency is 5%. Design, Bid, and Plan Check Contingencies total 9.5%.
Architecture and Engineering Fees are within standards	Y	A&E Fee is \$5,959,240, which is approximately 4% of hard costs (excluding contingencies).	A&E Fee is \$7,416,807, which is approximately 4.5% of hard costs (excluding contingencies).
Construction Management Fees are within standards	N	The construction management fee is \$192,000, when taking out \$108,000 budgeted during predevelopment and is above the MOHCD standard of \$6,000/month and \$72,000/year (assuming 29-month construction period). The	The construction management fee is \$246,000, taking out \$112,000 from predevelopment and is above the MOHCD standard of \$6,000/month and \$72,000/year (assuming 29-month construction period). The

		fee will need to be adjusted prior to gap financing. Please see Loan Conditions 11.2.2. in Section 11.2 Recommended Loan Conditions	fee will need to be adjusted prior to gap financing. Please see Loan Conditions 11.2.2. in Section 11.2 Recommended Loan Conditions
Developer Fee is within standards, see also disbursement chart below	N	Waiver requested. (Please see discussion on Developer Fee in Sections 6.3.2, 6.5.4 and 11.2)	Waiver requested. (Please see discussion on Developer Fee in Sections 6.3.2, 6.5.4 and 11.2)
Consultant and legal fees are reasonable	Y	Legal Fees are \$390,000 (based on other Mission Bay projects)	Legal Fees are \$390,000 (based on other Mission Bay projects)
Entitlement fees are accurately estimated	Y	Entitlement/Permit Fees are \$1,741,730	Entitlement/Permit Fees are \$2,015,759
Construction Loan interest is appropriately sized	Y	Construction Loan Interest is at 7.8%.	Construction Loan Interest is at 7.8%.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%.	Soft Cost Contingency is 10%.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 3 months	Capitalized Operating Reserve is equal to 3 months

6.5.4 Developer Fee Evaluation:

CD is a smaller, BIPOC-led, and emerging developer with limited working capital, and applying MOHCD’s Developer Fee Policy would cause CD to potentially deplete its resources and require additional borrowing of funds

to cover working capital needs during the predevelopment period. Such a hardship is the basis for Sponsors' proposal to provide a \$400,000 portion of at-risk fee as additional project management fee for a total of \$1.5M for Phase I and Phase II, with adjustments to milestones to provide a more reliable stream of working capital. A notable adjustment would be monthly payments made for project management fee during predevelopment and construction. However, if activities extend beyond the set number of monthly payments, there will not be a change in the maximum amount of developer fee paid. Because CD is a for-profit corporation, developer fee distributions will be taxed, therefore a regular disbursement of fee will mitigate this challenge by providing a consistent supply of working capital to allow CD to plan for managing their tax liabilities across different taxable years.

BSS is also a smaller, BIPOC-led and emerging developer who is taking steps to hire project management staff. The proposed waiver request to Developer Fee policy and disbursement milestones would aid in hiring and maintaining development staff.

MOHCD is currently evaluating updates to the MOHCD Developer Fee Policy and the Project will likely be eligible for increased fees pursuant to future policy changes when the Sponsors apply for gap financing.

Developer Fee Disbursement Tables on following pages.

Developer Fee Disbursement Schedule Phase I (proposed)		
Payment Milestone	Fee Category %	Phase I Amount
At close of preconstruction financing	10%	\$150,000
<i>Predevelopment through Construction Loan Closing (approx. 26 monthly payments)</i>	35%	\$525,000***
At Construction Closing	20%	\$300,000
During Construction (approx. 26 monthly payments)	35%	\$525,000***
Subtotal Project Management Fee	100%	\$1,500,000
Temporary Certificate of Occupancy	20%	\$270,000
Qualified Occupancy (95% leased up and Draft Cost Certification Audit)	25%	\$337,500
Permanent Loan Closing/Conversion (Final Cost Certification Audit)	25%	\$337,500
Project Close-out	30%	\$405,000
Subtotal At-Risk Fee	100%	\$1,350,000
Subtotal Cash Developer Fee		\$2,850,000
Deferred Developer Fee**	100%	\$700,000
Total Developer Fee		\$3,550,000

* Per MOHCD's Developer Fee Policy, the total Project Management Fee should be \$1,100,000 per project phase and the total At-Risk Fee will be held back from distribution in order to cover any cost overruns that exceed the contingency amounts held in the Sponsors' budget. This Developer Fee structure may be modified and will be applied to the Projects if such modifications are updated and codified by MOHCD. This table represents a waiver requested by the Sponsors to increase Project Management Fee to \$1,500,000 with \$400,000 moved from At-Risk Fee to support deficiencies in working capital for emerging and BIPOC-Developers.

** Per MOHCD's Developer Fee Policy, deferred fee is allowed if Eligible Basis is less than Threshold Basis.

*** \$20,192.31/month for a maximum of twenty-six (26) monthly payments during predevelopment. Any modifications or delays to predevelopment activities that result in schedule changes will not change the maximum amount of fee provided during this Phase I developer fee milestone (During or at end of predevelopment) but developer fees may be modified pursuant to any changes to MOHCD's Developer Fee Policy and during request for gap financing.

Developer Fee Disbursement Schedule Phase II (proposed)		
Payment Milestone	Fee Category %	Phase II Amount
At close of preconstruction financing	10%	\$150,000****
<i>Predevelopment through Construction Loan Closing (approx. 26 monthly payments)</i>	35%	\$525,000***
At Construction Closing	20%	\$300,000
During Construction (approx. 26 monthly payments)	35%	\$525,000***
Subtotal Project Management Fee	100%	\$1,500,000
Temporary Certificate of Occupancy	20%	\$410,000
Qualified Occupancy (95% leased up and Draft Cost Certification Audit)	25%	\$512,500
Permanent Loan Closing/Conversion (Final Cost Certification Audit)	25%	\$512,500
Project Close-out	30%	\$615,000
Subtotal At-Risk Fee	100%	\$2,050,000
Subtotal Cash Developer Fee		\$3,550,000
Deferred Developer Fee**	100%	\$1,175,000
Total Developer Fee		\$4,725,000

* Per MOHCD's Developer Fee Policy, the total Project Management Fee should be \$1,100,000 per project phase and the total At-Risk Fee will be held back from distribution in order to cover any cost overruns that exceed the contingency amounts held in the Sponsors' budget, per MOHCD's Developer Fee Policy. This Developer Fee structure may be modified and will be applied to the Projects if such modifications are updated and codified by MOHCD. This table represents a waiver requested by the Sponsors to increase Project Management Fee to \$1,500,000 with \$400,000 from At-Risk Fee to support deficiencies in working capital for emerging and BIPOC-Developers.

** Per MOHCD's Developer Fee Policy, deferred fee is allowed if Eligible Basis is less than Threshold Basis.

*** \$20,192.31/month with nine (9) monthly payments during Phase II Site predevelopment and any remainder amounts will be applied during a future Phase II Predevelopment request. Any modifications or delays to predevelopment activities that result in schedule changes will not change the maximum amount of fee provided during this Phase II developer fee milestone (During or at end of predevelopment) but developer fees may be modified pursuant to any changes to MOHCD's Developer Fee Policy and during request for gap financing.

**** Sponsors are requesting \$50,000 of this milestone amount (At close of preconstruction financing for Phase I and Partial Phase II Site Predevelopment Loan) with a remainder amount \$100,000 of this milestone available when the Sponsors apply for additional Phase II Predevelopment funding.

Developer Fee Disbursement Schedule (MOHCD Current Policy)			
Payment Milestone	Fee Category %	Phase I Amount	Phase II Amount
At close of preconstruction financing	15%	\$165,000	\$165,000
<i>During or at end of predevelopment</i>	<i>35%</i>	<i>\$385,000</i>	<i>\$385,000</i>
<i>Approval of entitlements</i>	<i>15%</i>	<i>\$165,000</i>	<i>\$165,000</i>
<i>Submission of HCD funding application</i>	<i>10%</i>	<i>\$110,000</i>	<i>\$110,000</i>
<i>Submission of joint CDLAC and TCAC application</i>	<i>10%</i>	<i>\$110,000</i>	<i>\$110,000</i>
At Construction Closing	20%	\$220,000	\$220,000
During Construction	20%	\$220,000	\$220,000
Project Close-out	10%	\$110,000	\$110,000
Subtotal Project Management Fee	100%	\$1,100,000	\$1,100,000
Qualified Occupancy (95% leased up and Draft Cost Certification Audit)	20%	\$350,000	\$490,000
Permanent Loan Closing/Conversion (Final Cost Certification Audit)	50%	\$875,000	\$1,225,000
Project Close-out	30%	\$525,000	\$735,000
Subtotal At-Risk Fee	100%	\$1,750,000	\$2,450,000
Subtotal Cash Developer Fee	-	\$2,850,000	\$3,550,000
Deferred Developer Fee	100%	\$700,000	\$1,175,000
Total Developer Fee	-	\$3,550,000	\$4,725,000
Grand Total Developer Fee	-		\$8,275,000

7. PROJECT OPERATIONS (Please see Attachment I and J for Operating Budget and Proforma)

7.1. Annual Operating Budget.

As this is a predevelopment loan request, the annual operating budget is presented to demonstrate the Project’s overall feasibility and is not presented for approval at this time. Please see Attachment J.

7.2. Annual Operating Expenses Evaluation.

Project expenses will include tenant rents as well as subsidy for LOSP units. The preliminary cash flow assumes no rents from the community-serving commercial space. This is subject to further analysis during the predevelopment period. During predevelopment, the Sponsors will work with OCII to confirm the AMI mix and will evaluate the potential for further tiering as may be suitable to maximize COP Holder participation and interest. In

addition, the Sponsors will work with OCII and HSH to confirm the appropriate AMI levels for LOSP units, along with the total number of LOSP units which will be 20% of total residential units. For example, there may be a need for some LOSP units with AMIs up to 50% AMI to accommodate formerly homeless households with full-time employment income.

Operating Proforma			
Underwriting Standard	Meets Standard? (Y/N)	Phase I Notes	Phase II Notes
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17 Or 1.0:1 through Year 20	Y	DSCR is 1.158 at Year 1 and 1.17 at Year 17.	DSCR is 1.157 at Year 1 and 1.189 at Year 17.
Vacancy rate meets TCAC Standards	Y	Vacancy rate is 5% of tenant rents per TCAC (10%) and LOSP (5%) standards.	Vacancy rate is 5% of tenant rents per TCAC (10%) and LOSP (5%) standards.
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	Income escalation factor is 2.5% for non-LOSP units and 1% for LOSP units in compliance with OCII/MOHCD standards and LOSP guidelines.	Income escalation factor is 2.5% for non-LOSP units and 1% for LOSP units in compliance with OCII/MOHCD standards and LOSP guidelines.
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$14,675 per unit per year, which is comparable to other family projects that include LOSP units.	Total Operating Expenses are \$14,039 per unit per year, which is comparable to other family projects that include LOSP units.
Property Management Fee	Y	Total Property Management Fee is \$124,740 or \$63	Total Property Management Fee is \$177,660 or \$63

<p>is at allowable HUD Maximum</p>		<p>PUPM and will be set in accordance with the HUD schedule.</p>	<p>PUPM and will be set in accordance with the HUD schedule.</p>
<p>Property Management staffing level is reasonable per comparables</p>	<p>Y</p>	<p>1 FTE Admin/Lead Desk Clerk 1 FTE General Manager 1 FTE Assistant Manager 4.2 FTE Front Desk Coverage 2 FTE Maintenance Tech 1 FTE Janitor Total FTE: 10.2</p> <p>The level of staffing is consistent with other buildings in the Sponsor's portfolio. The 4.2 FTE Desk Clerk will allow 24/7 desk coverage by anticipated part-time staffing. The staffing structure will be refined during predevelopment. Sponsors will evaluate the need for 24/7 staffing and/or will explore the potential for shared after hours desk coverage for cost savings/efficiency (Loan Conditions 11.2.5. in Section 11.2 Recommended Loan Conditions)</p>	<p>1 FTE Assistant Administrator 1 FTE Occupancy Specialist 1 FTE Property Manager 1 FTE Assistant Manager 4.2 FTE Front Desk Coverage 2 FTE Maintenance Tech 2 FTE Janitor Total FTE: 12.2</p> <p>The level of staffing is consistent with other buildings in the Sponsor's portfolio. The 4.2 FTE Desk Clerk will allow 24/7 desk coverage by anticipated part-time staffing. The staffing structure will be refined during predevelopment. Sponsors will evaluate the need for 24/7 staffing and/or will explore the potential for shared after hours desk coverage for cost savings/efficiency (Loan Conditions 11.2.5. in Section 11.2 Recommended Loan Conditions)</p>
<p>Asset Management and Partnership</p>	<p>Y</p>	<p>Asset Management Fee is \$29,846 (projected for</p>	<p>Asset Management Fee is \$31,972 (projected for</p>

Management Fees meet standards		operations commencement in 2029, and includes 6 years of 3.5% escalation); Partnership Management Fee is \$29,834 (at the combined AMF and PMF maximum with 6 years of 3.5% escalation applied or \$59,680)	operations commencement in 2030, and includes 7 years of 3.5% escalation); Partnership Management Fee is \$29,797 (at the combined AMF and PMF maximum with 7 years of 3.5% escalation applied or \$61,769)
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year	Replacement Reserves are \$500 per unit per year
Limited Partnership Asset Management Fee meets standards	Y	\$5,000 per year with no escalation	\$5,000 per year with no escalation

7.3. Capital Needs Assessment & Replacement Reserve Analysis. N/A

7.4. Income Restrictions for All Sources.

Phase I

NON-LOTTERY		No. of Units	OCII/MOHCD	TCAC/CDLAC/HCD/CalHFA***
1 BR – LOSP*	12	12	50% MOHCD AMI	30% TCAC AMI
2 BR – LOSP*	13	13	50% MOHCD AMI	30% TCAC AMI
3 BR – LOSP*	8	8	50% MOHCD AMI	30% TCAC AMI
Sub-Total	33			
LOTTERY				
1 BR	1	1	30% MOHCD AMI	25% TCAC AMI
1 BR	4	4	40% MOHCD AMI	35% TCAC AMI
1 BR	5	5	50% MOHCD AMI	45% TCAC AMI
1 BR	5	5	60% MOHCD AMI	50% TCAC AMI
1 BR	6	6	70% MOHCD AMI	60% TCAC AMI
1 BR	8**	8**	95% MOHCD AMI	70% TCAC AMI
Sub-Total	29			
2 BR	2	2	30% MOHCD AMI	25% TCAC AMI
2 BR	12	12	40% MOHCD AMI	35% TCAC AMI
2 BR	15	15	50% MOHCD AMI	45% TCAC AMI

2 BR	15		60% MOHCD AMI	50% TCAC AMI
2 BR	15		70% MOHCD AMI	60% TCAC AMI
2 BR	8**		95% MOHCD AMI	70% TCAC AMI
Sub-Total	67			
3 BR	2		30% MOHCD AMI	25% TCAC AMI
3 BR	4		40% MOHCD AMI	35% TCAC AMI
3 BR	9		50% MOHCD AMI	45% TCAC AMI
3 BR	9		60% MOHCD AMI	50% TCAC AMI
3 BR	9		70% MOHCD AMI	60% TCAC AMI
3 BR	1**		95% MOHCD AMI	70% TCAC AMI
Sub-Total	34			
STAFF UNITS				
1 BR	2			
Total	165			
PROJECT AVERAGE			54%	46%
AVERAGE FOR LOTTERY UNITS ONLY			60%	51%

* While LOSP units will be restricted at 50% MOHCD AMI to allow for maximum flexibility, tenants referred to LOSP units are typically extremely low-income, at or below 30% AMI.

** For Sponsors to qualify Phase I for CalHFA-MIP 10% of units need to be restricted at 70% TCAC rents (average 89% MOHCD AMI); please see Section 6.4 Proposed Permanent Financing and Loan Conditions 11.2.3. in Section 11.2 Recommended Loan Conditions as these higher AMIs will be closely evaluated by Sponsors and OCII during predevelopment to confirm necessity and with required market studies.

*** TCAC/CDLAC/HCD/CalHFA restrictions are set to maximize competitiveness for state funding programs.

Phase II

NON-LOTTERY		No. of Units	OCII/MOHCD	TCAC/CDLAC/ HCD/CalHFA ***
1 BR – LOSP*	18	18	50% MOHCD AMI	30% TCAC AMI
2 BR – LOSP*	18	18	50% MOHCD AMI	30% TCAC AMI
3 BR – LOSP*	11	11	50% MOHCD AMI	30% TCAC AMI
Sub-Total	47	47		
LOTTERY				
1 BR	3	3	30% MOHCD AMI	25% TCAC AMI
1 BR	4	4	40% MOHCD AMI	35% TCAC AMI
1 BR	8	8	50% MOHCD AMI	45% TCAC AMI
1 BR	9	9	60% MOHCD AMI	50% TCAC AMI
1 BR	5	5	70% MOHCD AMI	60% TCAC AMI
1 BR	10**	10**	95% MOHCD AMI	70% TCAC AMI
Sub-Total	39	39		
2 BR	4	4	30% MOHCD AMI	25% TCAC AMI
2 BR	19	19	40% MOHCD AMI	35% TCAC AMI
2 BR	22	22	50% MOHCD AMI	45% TCAC AMI
2 BR	22	22	60% MOHCD AMI	50% TCAC AMI
2 BR	22	22	70% MOHCD AMI	60% TCAC AMI
2 BR	10**	10**	95% MOHCD AMI	70% TCAC AMI
Sub-Total	99	99		
3 BR	3	3	30% MOHCD AMI	25% TCAC AMI
3 BR	8	8	40% MOHCD AMI	35% TCAC AMI
3 BR	14	14	50% MOHCD AMI	45% TCAC AMI
3 BR	14	14	60% MOHCD AMI	50% TCAC AMI
3 BR	5	5	70% MOHCD AMI	60% TCAC AMI
3 BR	4**	4**	95% MOHCD AMI	70% TCAC AMI
Sub-Total	48	48		
STAFF UNITS				
1 BR	2	2		
Total	235	235		
PROJECT AVERAGE			56%	45%
AVERAGE FOR LOTTERY UNITS ONLY			58%	49%

* While LOSP units will be restricted at 50% MOHCD AMI to allow for maximum flexibility, tenants referred to LOSP units are typically extremely low-income, at or below 30% AMI.

** For Sponsors to qualify Phase II for CalHFA-MIP 10% of units need to be restricted at 70% TCAC rents (average 89% MOHCD AMI); please see Section 6.4 Proposed

Permanent Financing and Loan Conditions 11.2.3. in Section 11.2 Recommended Loan Conditions as these higher AMIs will be closely evaluated by Sponsors and OCII during predevelopment to confirm necessity and with required market studies.

**** TCAC/CDLAC/HCD/CalHFA restrictions are set to maximize competitiveness for state funding programs.*

7.5. MOHCD Restrictions.

As OCII prioritizes accommodating the needs of COP Holders, that prioritization is reflected in the extensive income-tiering shown below and is consistent with the RFQ.

Phase I

Unit Type	No. of Units	Max AMI	Rent (at Max AMI)*	Rent/ Operating Subsidy
1 BR	12	50%	\$899**	LOSP
2 BR	13		\$1,011**	LOSP
3 BR	8		\$1,124**	LOSP
1 BR	1	30%	\$899	
2 BR	2		\$1,011	
3 BR	2		\$1,124	
1 BR	4	40%	\$1,199	
2 BR	12		\$1,349	
3 BR	4		\$1,499	
1 BR	5	50%	\$1,499	
2 BR	15		\$1,686	
3 BR	9		\$1,874	
1 BR	5	60%	\$1,799	
2 BR	15		\$2,023	
3 BR	9		\$2,248	
1 BR	6	70%	\$2,099	
2 BR	15		\$2,360	
3 BR	9		\$2,623	
1 BR	8	95%***	\$2,570	
2 BR	8	95%***	\$3,085	
3 BR	1	95%***	\$3,563	
1 BR	2	Unrestricted	N/A	Manager Unit
Total Units	165	Average AMI: 54% MOHCD AMI		

* Based on 2024 MOHCD rents.

** Tenants in units subsidized by LOSP are assumed to pay \$250 per month in rent, actual rent will be 30% of tenant income, pursuant to LOSP policies and collaboration with HSH.

*** For Sponsors to qualify Phase I for CalHFA-MIP 10% of units need to be restricted at 70% TCAC rents (average 89% MOHCD AMI); please see Section 6.4 Proposed Permanent Financing and Loan Conditions 11.2.3. in Section 11.2 Recommended Loan Conditions as these higher AMIs will be closely evaluated by Sponsors and OCII during predevelopment to confirm necessity.

Phase II

Unit Type	No. of Units	Max AMI	Rent (at Max AMI)*	Rent/ Operating Subsidy
1 BR	18	50%	\$899**	LOSP
2 BR	18		\$1,011**	LOSP
3 BR	11		\$1,124**	LOSP
1 BR	3	30%	\$899	
2 BR	4		\$1,011	
3 BR	3		\$1,124	
1 BR	4	40%	\$1,199	
2 BR	19		\$1,349	
3 BR	8		\$1,499	
1 BR	8	50%	\$1,499	
2 BR	22		\$1,686	
3 BR	14		\$1,874	
1 BR	9	60%	\$1,799	
2 BR	22		\$2,023	
3 BR	14		\$2,248	
1 BR	5	70%	\$2,099	
2 BR	22		\$2,360	
3 BR	5		\$2,623	
1 BR	10	95%***	\$2,570	
2 BR	10	95%***	\$3,085	
3 BR	4	95%***	\$3,563	
1 BR	2	Unrestricted	N/A	Manager Unit
Total Units	235	Average AMI: 56% MOHCD AMI		

* Based on 2024 MOHCD rents.

**Tenants in units subsidized by LOSP are assumed to pay \$250 per month in rent, actual rent will be 30% of tenant income, pursuant to LOSP policies and collaboration with HSH.

*** For Sponsors to qualify Phase II for CalHFA-MIP 10% of units need to be restricted at 70% TCAC rents (average 89% MOHCD AMI); please see Section 6.4 Proposed Permanent Financing and Loan Conditions 11.2.3. in Section 11.2 Recommended Loan Conditions as these higher AMIs will be closely evaluated by Sponsors and OCII during predevelopment to confirm necessity.

8. SUPPORT SERVICES

8.1. Services Plan.

Bayview Senior Services ("BSS") will provide resident services for low-income families and will provide supportive services for formerly homeless families for Phase I and Phase II.

Anticipated staffing for Phase I is as follows. Phase II’s staffing plan will be developed during pre-development in coordination with OCII and HSH, but will consider the required staff ratio of 1:20 and may result in 3 FTE or more for Phase II and a potential sharing of staffing between Phase I and Phase II.

Position	FTE	Description
Case Manager (bilingual) – BSS (serving families in supportive units)	1.0*	Provides assessments, supportive counseling, and individualized wrap-around case management for housing stability. Provides warm handoff with HSH Coordinated Entry System Staff, and makes linkages with available community services.
Case Manager – BSS (serving families in supportive units)	1.0*	Provides assessments, supportive counseling, and individualized wrap-around case management for housing stability. Provides warm handoff with HSH Case Manager, and makes linkages with available community services.
Support Services Manager – BSS (oversee Case Management staff and execution of services plan)	1.0*	Provides leadership and supervision to ensure quality services and resident safety. Responsible for case management program operations including staff supervision, budget oversight, and execution of HSH-approved Services Plan.
Resident Services Coordinator - BSS (serving all residents)	1.0**	Coordinates on-site service programs, partnerships with outside organizations, events, and property management. Implements youth programming, community engagement, health and wellness initiatives, and housing stability.
Total FTE	4.0	

* The case management ratio of 3.0 FTE for an anticipated 33 supportive units exceeds the 1:20 staff to client household ratio for HSH-supported projects and was discussed with HSH with further refinement during predevelopment (Please see Section 11.2 Recommended Loan Conditions).

** 1.0 FTE Resident Services Coordinator will support non-program residents (all non-PSH residents) during evenings and weekends, when working families and school children are more likely to be present at the property.

Summary of BSS Services:

1. Housing retention – referrals to mediation and legal support services with support from Bayview Senior Services housing navigation team
2. Nutrition and food access – food give aways, senior meals distribution
3. Health – organizing on-site health and wellness fairs including exercise, health information, bringing in providers for specific health care screenings, informational events, and field trips
4. Creative Expression – through art and music families will have opportunities to engage with each other and express themselves artistically, including intergenerational programming that brings youth and seniors together and promote community
5. Mental Health – ongoing groups to share experiences to provide socialization, providing on-site group counseling, referrals to agencies providing specialized group work such as anger management, grief and loss and social connections
6. Substance Abuse services – referrals and case coordination with neighboring agencies, as well as hosting AA, NA and other group approaches to recovery.
7. Finance – work with financial counseling and coaching providers to ensure rents are paid and families have access to financial counseling
8. Community building – work on disaster preparedness, holiday family events, food giveaways, recreational activities, trips game night, performance arts programming, etc. based on resident input
9. Community engagement – connect with local facilities to host semi-monthly events for over 50 people, arranging trips to area venues to experience the parklets, art and culture of the neighborhood and San Francisco in general

8.2. Services Budget.

Phase I

Resident services at up to one staff person for every 100 units will be paid through the operating budget, pursuant to MOHCD underwriting standards. Case management and supportive services for formerly homeless families will be funded through a separate contract with HSH. The anticipated services budget is as follows (HSH per unit per month for family PSH \$1,075; for 33 units (20% of 165 units) will be \$33,475/month and \$425,700/year):

Position	FTE	Budget Amount	Funding Source
Case Manager (bilingual) – BSS	1.0	\$70,720	HSH Contract
Case Manager – BSS	1.0	\$70,720	HSH Contract
Supportive Services Manager – BSS	1.0	\$81,994	HSH Contract
Resident Services Coordinator – BSS	1.0	\$66,560	Operating budget
Overtime and One-time staffing	0.17	\$17,109	Operating budget
Fringe Benefits	n/a	\$85,989	HSH Contract/Operating budget
Operating Expenses	n/a	\$97,070	HSH Contract/Operating budget
Indirect Allocation**	n/a	\$58,819	
Total FTE	4.25	\$548,981*	HSH Contract/Operating budget

* \$131,479 covered by project's operating budget and cash flow, \$417,502 to be covered by HSH Contract pending negotiations

** Administrative support and supervision, back-office support

Phase II

Phase II Services Plans will be developed during predevelopment in coordination with OCII and HSH, and further developed in accordance with HSH subsidy guidelines which per unit per month for family PSH is \$1,075. HSH subsidy for approximately 47 family PSH units (20% of 235 units) will therefore be \$50,525/month and \$606,300/year. Please see Loan Conditions 11.2.4. in Section 11.2 Recommended Loan Conditions.

8.3. HSH Assessment of Service Plan and Budget.

To be provided with the gap funding request. Mili Choudhury, Family Permanent Supportive Housing Manager at HSH, was a member of the selection panel for the RFQ and partially participated in planning for services and management with Alison Schlageter, Supportive Housing Team Supervisors, continuing support following Mili Choudhury's last day at HSH on May 21, 2024. A condition of this loan request is to work closely with OCII and HSH to develop an appropriate supportive services plan and budget for this Project (Please see Loan Conditions 11.2.4. in Section 11.2 Recommended Loan Conditions).

9. THRESHOLD ELIGIBILITY REQUIREMENTS

The RFQ defined minimum threshold requirements to be considered for selection. All respondents to the RFQ satisfied the minimum requirements for review and consideration (Please see Attachment E).

10. RANKING CRITERIA

Please see RFQ and Developer Selection Process (Please see Section 1.1 and Attachment E).

11. STAFF RECOMMENDATIONS

11.1. Proposed Loan/Grant Terms.

Financial Description of Proposed Loan	
Project Phases	Predevelopment for Phase I and Partial Phase II Site
Loan Amount:	\$5,111,731
Loan Term:	3 years The Repayment Term will begin on the date of execution of the loan and end at either (1) the close of construction financing for the Projects or, (2) the Sponsors and OCII execute a construction/permanent loan agreement that incorporates the predevelopment and permanent loan amounts.
Loan Maturity Date:	Approximately \$3,500,000 of the predevelopment loan will convert to a 55-year permanent loan for Phase I with a 3% interest rate and the remainder approximately \$1,611,731 portion will convert to a 3-year predevelopment loan for Phase II upon application by Sponsors.
Loan Repayment Type:	Deferred
Loan Interest Rate:	3% (In the event that it is possible to conform to the true debt analysis to the satisfaction of the investor and lender, the OCII loan interest rate may be reduced to a rate as low as 0% subject to the approval from the OCII Executive Director.)
Date Loan Committee approves prior expenses can be paid:	May 9, 2024

11.2. Recommended Loan Conditions

11.2.1. Finance and Accounting

1. Sponsors must maintain an accurate accounting of expenses related to each phase and for shared expenses. Sponsor will prepare and submit a reconciliation report of costs and expenses attributable to each phase for future allocation between Phase I and Phase II predevelopment loans and related disbursement tracking sheets.
2. Sponsors will submit a written plan to secure construction and permanent financing with commitment(s) from a financial guarantor(s) or partner(s) as necessary for Phase I, prior to Phase I Schematic Design Approval, and, for Phase II, prior to Phase II Schematic Design Approval. This condition does not require provision of confirmed financial commitments at these milestones.
3. Sponsors must provide and refine operating and development budgets that meet OCII/MOHCD Underwriting Guidelines and OCII/MOHCD Commercial Space Underwriting Guidelines.

11.2.2. Contracting and Procurement

1. Sponsors will issue an RFQ for an owner's representative and other consultants and professional services in accordance with OCII's Contract Compliance and Small Business Enterprise ("SBE") program specifications and will submit bids and draft contracts for OCII staff review and approval prior to selecting or entering into a contract with an owner's representative or other consultants and professional services.
2. Borrower will issue an RFQ for a general contractor in accordance with OCII's Contract Compliance specifications, will obtain cost estimates from the selected contractor, and will work with their architectural team to ensure that the site's development costs are managed to OCII's approval. Borrower will cooperate with OCII and competitively solicit a general contractor with the intent, to the extent practicable and economically feasible, of directly engaging an OCII-recognized SBE contractor or creating a joint venture or similar partnership opportunity between a general contractor and an OCII-recognized SBE contractor. Furthermore, Borrower will cooperate and require the general contractor to exercise good faith efforts to select subcontractors who either are SBEs or, if they are not SBEs, are willing to explore joint ventures or similar partnership opportunities with SBEs.
3. Sponsors must ensure that consultants and professional services budgets are in conformance with OCII/MOHCD Underwriting Guidelines.

11.2.3. Permanent Financing

1. Sponsors must pursue alternative financing sources including but not limited to HCD permanent funding sources, such as AHSC and IIG, if directed by and in coordination with OCII to determine the most appropriate financial plan with the goal of adding alternative permanent subsidy sources and minimizing OCII subsidy.
2. Sponsors will seek to maximize permanent debt and minimize OCII subsidy, while prioritizing inclusion of income tiering, especially below 50% MOHCD AMI and above 80% MOHCD AMI if required by other financing sources, as agreed upon with OCII and ensuring an adequate debt service coverage ratio consistent with OCII/MOHCD Underwriting Guidelines.
3. Sponsors must evaluate inclusion of GP Equity as both a source and use to increase tax credit basis, to the extent that a meaningful amount of GP Equity is available for this purpose.
4. Sponsors must assess the probability of receiving an award under the CalHFA-MIP program, along with its associated state tax credits, including providing scoring for these permanent financing sources relative to previous funding rounds. In addition, Borrower will evaluate potential impacts to overall schedule and identify an alternative financing plan if anticipated permanent sources are ultimately infeasible.
5. Sponsors must: a) provide for OCII review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for OCII review of all raw financial data from developer or financial consultant prior to selection; c) provide for OCII review and approval of all selected investors and lenders; and, d) provide for OCII review and approval of all Letters of Intent from financial partners.
6. Sponsors must provide OCII with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of OCII gap loans.

11.2.4. Permanent Supportive Housing Services Plans and Budgets

1. Sponsors must provide OCII and HSH with a services plan and proposed staffing levels that meet OCII/MOHCD underwriting standards and HSH staffing guidelines prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to OCII/MOHCD and HSH at least 90 days prior to gap loan approval.
2. Since the Project is a LOSEP-project, Sponsors in coordination with OCII must submit an updated 1st year operating budget and 20-year cash flow – if any changes have occurred – by November 1st before the year the project will achieve TCO so that OCII and MOHCD

may request the LOSP subsidy. Any assumptions on tenant-paid rent for LOSP-supported units, and income restrictions for the referrals from the Coordinated Entry System must be submitted for review to HSH and adjusted according to HSH's direction. All submissions will be subject to further refinement in coordination with OCII and HSH.

11.2.5. Site Programming and Staffing

1. Sponsors must work with OCII staff on determining and maintain unit mix as stated in the RFQ of 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units to serve the needs and desires of COP Holders and will explore larger four-bedroom and five-bedroom units for Phase II.
2. Sponsors will provide a detailed plan for long-term asset management prior to gap financing for OCII and MOHCD review and approval that includes future third-party asset management or future in-house staffing regarding portfolio description, scope and range of duties of staff, and coordination with other functional teams, including property management, accounting, compliance and facilities management.
3. Sponsors will develop design scenarios that balance unit mix, unit sizes, and financial sources including OCII subsidy, all subject to OCII review and approval.
4. Sponsors will evaluate 24/7 staffing and/or will explore the potential for shared after-hours desk coverage.
5. Sponsors will need to staff the Projects appropriately to ensure their successful completion.

11.2.6. Commercial Space

1. Sponsors must provide Commercial Space Plan to OCII no less than 90 days prior to Loan Committee date for gap loan, including racial equity goals and anticipated outcomes related thereto.
2. Sponsors must make good faith efforts to secure signed LOI/s from commercial tenants prior to OCII's gap loan closing.

11.2.7. Community Outreach, Marketing, and Reporting

1. Sponsors must collaborate with OCII, and HSH where appropriate, and conduct community outreach to solicit input, address concerns, and educate community members on various aspects of the Project and to solicit input regarding potential uses for neighborhood and community-serving commercial space(s).

2. In collaboration with OCII, Sponsors, as lead, must engage and assess COP Holders needs regarding AMI levels, program needs, program desires, and provide an analysis to OCII in addition to proposed income tiering and program elements/design features that aim to address COP Holders expressed statements throughout predevelopment.
3. Sponsors must provide a draft early outreach plan within the first 3 months of construction commencement of a project phase.
4. Sponsors must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
5. Sponsors must monitor and report on construction hard costs during the predevelopment period.
6. Sponsors must provide OCII with detailed monthly updates via the OCII Monthly Project Update, which may be amended from time-to-time, including on: a) Community Outreach Completed; b) Outcomes achieved related to racial equity goals; and c) Commercial use programming.
7. Sponsors must provide quarterly updated response(s) to any letters requesting corrective action to OCII.
8. BSS to report to OCII by end of calendar year 2024 on status of operating cash finding from 2023 City Audit.

LOAN COMMITTEE MODIFICATIONS

[N/A or list]

LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

APPROVE. DISAPPROVE. TAKE NO ACTION.

Daniel Adams, Director
Mayor's Office of Housing and Community Development

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Marc Slutzkin, Deputy Director
Office of Community Investment and Infrastructure

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Anna Van Degna, Director
Controller's Office of Public Finance

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

- Attachments:
- A. Project Milestones/Schedule
 - B. Borrower Org Chart
 - C. Developer Resumes
 - D. Asset Management Analysis of Sponsors
 - E. Threshold Eligibility Requirements and Ranking Criteria
 - F. Site Map with amenities
 - G. Elevations and Floor Plan (N/A)
 - H. Comparison of City Investment in Other Housing Developments
 - I. Predevelopment Budget
 - J. Development Budget
 - K. 1st Year Operating Budget
 - L. 20-year Operating Proforma

REQUEST FOR PREDEVELOPMENT FINANCING FOR MISSION BAY SOUTH BLOCK 4 EAST

Ely, Lydia (MYR) <lydia.ely@sfgov.org>

Fri 8/2/2024 4:01 PM

To:Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>

Cc:Lee, Melissa (MYR) <melissa.lee@sfgov.org>;Defiesta, Agnes (MYR) <agnes.defiesta@sfgov.org>;Adams, Dan (MYR) <Dan.Adams@sfgov.org>

Good afternoon,

I approve the above request which was presented to the August 2, 2024 meeting of the Citywide Affordable Housing Loan Committee.

Thank you,
Lydia

Lydia Ely
Deputy Director, Housing
Mayor's Office of Housing and Community Development
Office phone: (628) 652-5821
Cell phone: (415) 225-2936

RE: REQUEST FOR PREDEVELOPMENT FINANCING FOR MISSION BAY SOUTH BLOCK 4 EAST

Hewson, Elizabeth (HOM) <elizabeth.hewson@sfgov.org>

Fri 8/2/2024 12:12 PM

To: Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>

Cc: Lee, Melissa (MYR) <melissa.lee@sfgov.org>; Defiesta, Agnes (MYR) <agnes.defiesta@sfgov.org>; Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>

On behalf of Salvador Menjivar, I approve the request for predevelopment financing for Mission Bay South Block 4 East.

Thank you Ituala.

Best,
Elizabeth



Elizabeth Hewson (she/her)
Manager of Supportive Housing Programs
San Francisco Department of Homelessness and Supportive Housing
elizabeth.hewson@sfgov.org | O: 628.652.7730

Learn: hsh.sfgov.org | Follow: [@SF_HSH](https://twitter.com/SF_HSH) | Like: [@SanFranciscoHSH](https://facebook.com/SanFranciscoHSH)

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From: Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>
Sent: Friday, August 2, 2024 12:10 PM
To: Hewson, Elizabeth (HOM) <elizabeth.hewson@sfgov.org>
Cc: Lee, Melissa (MYR) <melissa.lee@sfgov.org>; Defiesta, Agnes (MYR) <agnes.defiesta@sfgov.org>; Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>
Subject: REQUEST FOR PREDEVELOPMENT FINANCING FOR MISSION BAY SOUTH BLOCK 4 EAST

Hi, Elizabeth.

Please respond to this email with your vote on the above agenda item. Thank you again for attending Loan Committee today. Have a lovely weekend.

Kind regards,

Ituala Cameron
Executive Assistant
Mayor's Office of Housing and Community Development

REQUEST FOR PREDEVELOPMENT FINANCING FOR MISSION BAY SOUTH BLOCK 4 EAST

Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>

Fri 8/2/2024 11:52 AM

To:Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>

Cc:Ely, Lydia (MYR) <lydia.ely@sfgov.org>;Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>;Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>;Adams, Dan (MYR) <Dan.Adams@sfgov.org>

Hi Ituala,

I approve the above request on behalf of OCII.

Thanks

Marc



Marc Slutzkin
Deputy Director

📍 One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

🏠 www.sfocii.org

RE: Citywide Affordable Housing Loan Committee

Van Degna, Anna (CON) <anna.vandegna@sfgov.org>

Fri 8/2/2024 11:47 AM

To: Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>

Approved predevelopment for MBS block 4 east

Anna Van Degna
Public Finance Director
Controller's Office of Public Finance
City & County of San Francisco
Ph. (415)-554-5956

From: Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>

Sent: Thursday, August 1, 2024 5:11 PM

To: Van Degna, Anna (CON) <anna.vandegna@sfgov.org>

Subject: Re: Citywide Affordable Housing Loan Committee

Importance: High

Good afternoon, Anna.

I wanted to confirm your attendance for tomorrow's Loan Committee meeting.

Ituala Cameron
Executive Assistant
Mayor's Office of Housing and Community Development

From: Amaya, Vanessa (MYR)

Sent: Friday, July 7, 2023 10:27 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>; Chavez, Rosanna (MYR) <rosanna.chavez@sfgov.org>; Wong, Harry (MYR) <harry.j.wong@sfgov.org>; Defiesta, Agnes (MYR) <agnes.defiesta@sfgov.org>; Blitzer, Mara (MYR) <mara.blitzer@sfgov.org>; Ely, Lydia (MYR) <lydia.ely@sfgov.org>; Obstfeld, Kimberly (CII) <kimberly.obstfeld@sfgov.org>; Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>; Sims, Pamela (CII) <pam.sims@sfgov.org>; Romero, Anne (MYR) <anne.romero@sfgov.org>; Heavens, Cindy (MYR) <cindy.heavens@sfgov.org>; Amaral, Sara (MYR) <sara.amaral@sfgov.org>; Van Degna, Anna (CON) <anna.vandegna@sfgov.org>; Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>; Shaw, Eric (MYR) <eric.shaw@sfgov.org>; Tonia Lediju, PhD <ledijut@sfha.org>; Baca, Robert (MYR) <robert.baca@sfgov.org>; Cortez, Omar (MYR) <omar.cortez@sfgov.org>; Faust, Holly B. (MYR) <holly.b.faust@sfgov.org>; Dwyer, Brendan (MYR) <brendan.dwyer@sfgov.org>; Madden, Scott (MYR) <scott.madden@sfgov.org>; McLoone, Michael (MYR) <michael.mcloone@sfgov.org>; Vanzuulen, Ryan (MYR) <ryan.vanzuulen@sfgov.org>; Abadilla Rivera, Audrey (MYR) <audrey.abadilla@sfgov.org>; Suskin, Jane (CII) <jane.suskin@sfgov.org>; Katz, Bridget (CON) <bridget.katz@sfgov.org>; Shepard, Judy (MYR) <judy.shepard@sfgov.org>; Wilcox, William (MYR) <william.wilcox@sfgov.org>; Masry, Omar (MYR) <omar.masry@sfgov.org>; Morales, James (CII) <james.morales@sfgov.org>; Oliver, John (MYR) <john.p.oliver@sfgov.org>; Fukutome-Lopez, Amanda (MYR) <amanda.fukutome-lope@sfgov.org>; Heckman, Gretchen (CII) <gretchen.heckman@sfgov.org>; Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>; Tsou, Jackie (MYR) <jackie.tsou@sfgov.org>; Ellison-Labat, Wesley (MYR) <wesley.ellison-labat@sfgov.org>; Tenpas, Sarah (MYR) <sarah.tenpas@sfgov.org>; Wang, Robin (MYR) <Robin.Wang@sfgov.org>; Stanley, Anne (MYR) <anne.stanley@sfgov.org>; Gage, Alea (MYR) <alea.gage@sfgov.org>; Kuo, Jasmine (CII) <jasmine.kuo@sfgov.org>; Trivedi, Vishal (CON) <vishal.trivedi@sfgov.org>; Otero, Carmen (MYR) <carmen.otero@sfgov.org>; Graves, Matthew (MYR) <matthew.graves@sfgov.org>; Rubin, Sophie (MYR) <Sophie.Rubin@sfgov.org>; Cameron, Ituala (MYR) <ituala.cameron@sfgov.org>; Lee, Melissa (MYR) <melissa.lee@sfgov.org>; Collins, Jennifer M. (MYR) <Jennifer.M.Collins@sfgov.org>; Strong, Andrew (MYR) <andrew.strong@sfgov.org>; Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>; Wong, Phillip (CII) <philip.c.wong@sfgov.org>; Madden, Scott (MYR) <scott.madden@sfgov.org>; Adams, Dan (MYR-DEM) <dan.adams@sfgov.org>

Cc: cathy.davis <cathy.davis@bhpmss.org>; Charmaine Curtis <Charmaine@Curtis-development.com>; Jackson Rabinowitsh <jackson@Curtis-development.com>; jwood@jSCO.net <jwood@jSCO.net>

Subject: Citywide Affordable Housing Loan Committee

When: Friday, August 2, 2024 11:15 AM-1:00 PM.

Where: Microsoft Teams Meeting

Loan Committee Meetings are every 1st and 3rd Friday. Please note this series is for the 1st Friday of each month.

Microsoft Teams meeting

Join on your computer, mobile app or room device

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Or call in (audio only)

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Phone Conference ID: 893 812 818#

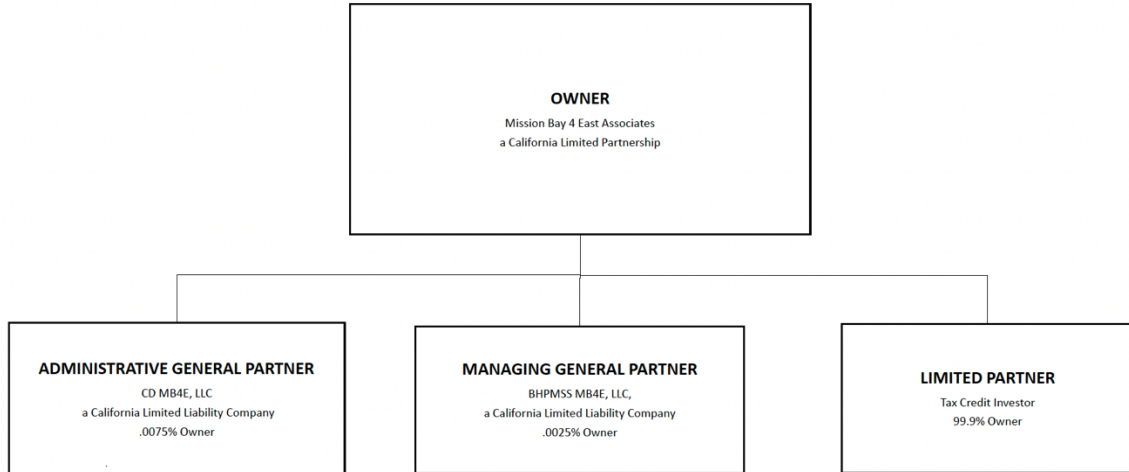
Attachment A: Project Milestones and Schedule

No.	Performance Milestones	Phase I Estimated or Actual Date	Phase I Contractual Deadline	Phase II Estimated or Actual Date	Phase II Contractual Deadline
A.	Prop I Noticing (if applicable)	N/A	N/A	N/A	N/A
1.	Acquisition/Predev. Financing Commitment (OCII Commission)	August 2024	(this request)	August 2024	(this request)
2.	Site Acquisition (site transfer from FOCIL-MB, LLC to OCII with option to ground lease to Mission Bay 4 East Associates, LP	July 2025	January 2026	July 2025	January 2026
3.	Development Team Selection				
a.	Associate Architect & Design Consultants	October 2024	April 2025	October 2024	April 2025
b.	General Contractor	December 2024	June 2025	December 2024	June 2025
c.	Owner's Representative	October 2024	April 2025	October 2024	April 2025
d.	Property Manager (JSCo)	Complete	Complete	Complete	Complete
e.	Service Provider (BSS)	Complete	Complete	Complete	Complete
4.	Design				
a.	Submittal of Basic Concept (unit count and general massing) – no specs, consultants	October 2024	April 2025	October 2024	April 2025
b.	Submittal of 50% Schematic Design	October 2024	April 2025	October 2024	April 2025
c.	Submittal of 100% Schematic Design & Cost Estimate	March 2025	September 2025	July 2025	January 2025
d.	Schematic Design OCII Commission Approval	July 2025	January 2026	October 2025	April 2026
e.	Submittal of Design Development & Cost Estimate	September 2025	March 2026	January 2026	July 2026
f.	Submittal of 50% CD Set & Cost Estimate	November 2025	May 2026	May 2026	November 2026

g.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	January 2026	July 2026	November 2026	May 2027
5.	Environmental Review/Land-Use Entitlements/Subdivision Mapping				
a.	Phase I Study	August 2024	February 2025	August 2024	February 2025
b.	Phase II Study	November 2024	May 2025	November 2024	May 2025
c.	CEQA Exemption (OCII Commission)	September 2024	March 2025	September 2024	March 2025
d.	Geotechnical Investigations completed	November 2024	May 2025	November 2024	May 2025
e.	Maher Ordinance Compliance completed	May 2025	November 2025	May 2025	November 2025
f.	Shadow/Wind Analysis	November 2024	May 2025	November 2024	May 2025
g.	D4D Amendment	December 2024	June 2025	December 2024	June 2025
h.	OPA/Redevelopment Plan Amendments (for Phase II) OCII Commission	N/A	N/A	December 2024	June 2025
i.	Tentative Parcel Map Application to SFPW (lot split)	March 2025	September 2025	March 2025	September 2025
j.	Final Parcel Map Application to SFPW	September 2025	March 2026	September 2025	March 2026
6.	Permits				
a.	Building / Site Permit Application Submitted	May 2025	November 2025	October 2025	April 2026
b.	Addendum #1 Submitted	November 2025	May 2026	May 2026	November 2027
c.	Addendum #2 Submitted	November 2025	May 2026	May 2026	November 2027
d.	Addendum #3 Submitted	November 2025	May 2026	May 2026	November 2026
7.	Request for Bids Issued	August 2026	February 2027	September 2027	March 2028
8.	City Financing				
a.	Predevelopment Financing Committed (OCII Commission)	September 2024	March 2025	July 2025	January 2026
b.	Gap Financing Application	September 2025	March 2026	September 2026	March 2027

c.	Gap Financing Committed (OCII Commission)	January 2026	October 2026	January 2027	October 2027
9.	Other Financing				
a.	CalHFA MIP Application	February 2026	August 2026	February 2027	August 2027
b.	CDLAC Application	April 2026	October 2026	April 2027	October 2027
c.	CDLAC Allocation	August 2026	April 2027	August 2027	April 2028
d.	Construction Financing/Tax Credit Investor RFP	September 2026	March 2027	September 2027	March 2028
e.	AHP Application	March 2026	September 2026	March 2027	September 2027
f.	AHP Committed	June 2026	December 2026	June 2027	December 2027
10.	Closing				
a.	Construction Closing	January 2027	July 2027	January 2028	July 2028
b.	Permanent Financing Closing	May 2030	November 2030	July 2031	January 2032
11.	Construction				
a.	Notice to Proceed	January 2027	July 2027	January 2028	July 2028
b.	Temporary Certificate of Occupancy/Cert. of Substantial Completion	April 2029	October 2029	April 2030	October 2031
c.	CFCO/Certificate of Final Completion and Occupancy	July 2029	January 2030	July 2030	January 2031
12.	Marketing/Rent-up				
a.	OCII Early Outreach Plan Submission	April 2027	October 2027	April 2028	October 2029
b.	Marketing Plan Submission	April 2028	October 2028	April 2029	October 2030
c.	Commence Marketing	October 2028	April 2029	October 2029	April 2030
d.	100% Occupancy	November 2029	May 2030	January 2031	July 2031
13.	Cost Certification/8609	December 2030	June 2031	January 2032	July 2032
14.	Close Out OCII Loan	December 2030	June 2031	January 2032	July 2032

Attachment B: Borrower Org Chart



Attachment C: Development Staff Resumes

CHARMAINE D. CURTIS

415-609-4996 | charmaine@curtis-development.com

1/04 – Current
San Francisco, CA

PRINCIPAL, Curtis Development

Curtis Development, one of few African-American and female led development companies located in California, focuses on high quality, impactful urban infill multi-family and mixed-use projects serving households at all income levels.

Highlighted work:

- Co-developing 148-unit below market rate condominium project in Mission Bay and 203-unit affordable high rise South of Market.
- Co-developed 162-unit market rate rental project in Oakland, CA.
- Obtained first SB 35 approval in San Francisco.
- Oversaw master planning and entitlements for the redevelopment of 600-unit Potrero Terrace & Annex public housing into an approximately 1,700 unit mixed-income development.

9/97 – 12/03
San Francisco, CA

PRESIDENT, A. F. Evans Development, Inc.

Oversaw multi-family development activities throughout California and Washington for mid-sized development company supervising a staff of 9 project managers and 2 assistant project managers in San Francisco and Seattle. Projects included mixed-use infill housing both for rent and for sale, garden style apartments, and acquisition and rehabilitation of affordable and market rate income properties. Oversaw the development of about 4,000 units in multi-family and mixed-use projects throughout California and Washington with a value of nearly \$300 Million.

5/95 - 9/97
San Francisco, CA

PRINCIPAL, Charmaine Curtis Housing Development Consulting

Provided project management services primarily to non-profit housing developers and social service agencies. Identified development opportunities and performed due diligence activities for property acquisition. Assessed project feasibility including land use and building analysis.

8/91 - 5/95
San Francisco, CA

DIRECTOR OF HOUSING DEVELOPMENT, Mercy Housing California

Coordinated and oversaw affordable housing development projects throughout California including identifying new development opportunities, assessing project feasibility, and supervising seven project managers in four cities. Set annual housing production goals and assessed available financial and staff resources.

1/88 - 5/91
San Francisco, CA

PROJECT MANAGER, McKenzie, Rose & Holliday Development, Inc.

Instrumental in start-up of real estate development company. Managed several projects including pioneering live/work loft condominium projects in San Francisco's South of Market neighborhood.

EDUCATION

- Minority Developers Professional Certificate Program, MIT
- University of California, Berkeley; Master of City Planning
- Dartmouth College; Bachelor of Arts, Major - Government/Economics

AFFILIATIONS

- Middle Income Steering Committee – Meta/SPUR/Terner Center
- Board of Directors, Golden Gate National Parks Conservancy
- Architecture Program Advisory Board, University of San Francisco
- Lambda Alpha International
- Board of Directors, SPUR (Executive Board and Co-Chair, Project Review Committee) 2003-2019

RECOGNITIONS

SF Business Times 100 Most Influential Businesswomen
ELEVATE Industry Impact Award from CREW and The Registry

JACKSON GEORGE RABINOWITSH

2027 Grahn Drive | Santa Rosa, CA 95404 | (707) 494-8230 | Jackson.Rabinowitsh@gmail.com

PROFESSIONAL WORK EXPERIENCE

Jackson Rabinowitsh Affordable Housing Consulting

Owner/Principal, Project Manager

June 2024 – Present

- Provide a range of project management and strategic consulting services for clients developing affordable housing throughout the Bay Area.
- Clients have included Curtis Development and Supportive Housing Community Land Alliance.

Tenderloin Neighborhood Development Corporation (TNDC), San Francisco, CA

Senior Project Manager

May 2022 – June 2024

Project Manager

February 2020 – May 2022

- Managed all aspects of five affordable housing developments including scattered site acquisition rehab, new construction, and a range of housing types including special needs, family, and senior.
- Provided strategic oversight for two of TNDC's westside projects in the City's Sunset district.
- Represented TNDC at hearings, community meetings and events, and in press throughout highly politicized community engagement processes.
- Supervised Assistant Project Manager and Project Manager staff with a focus on developmental growth and retention.
- Participated in interdepartmental strategic initiatives aimed at organizational financial sustainability.

Santa Clara County Housing Authority, San Jose, CA

Project Manager

March 2018 – January 2020

- Managed two affordable rental housing projects for families and seniors, consisting of 182 units including 40 permanent supportive housing units.
- Oversaw major value engineering and building permit amendment processes to mitigate cost overruns due to utility-related delays predating my involvement with the projects.
- Negotiated major change order / construction contract amendment with general contractor to address cost escalation and extended general conditions resulting from schedule delays.
- Managed capital stack modifications consistent with tax credit and tax-exempt bond regulations.
- Performed financial analysis, created pro formas and development budget tracking tools, and procured supplemental soft loans to balance budgets.
- Coordinated marketing, lease-up, and stabilization with 3rd party property manager, 3rd party service provider, and rental subsidy program staff.
- Managed permanent financing conversion.

JACKSON GEORGE RABINOWITSH

2027 Grahn Drive | Santa Rosa, CA 95404 | (707) 494-8230 | Jackson.Rabinowitsh@gmail.com

Hello Housing, San Francisco, CA

Project Manager

March 2017 – September 2017

Associate Project Manager

March 2016 – March 2017

- Oversaw acquisitions for 31 properties including a bulk purchase of 26 tax defaulted properties from the Alameda County Tax Collector.
- Managed all aspects of residential rehabilitation projects.
- Negotiated and managed lump sum and guaranteed maximum price contracts.
- Implemented federally-funded home rehabilitation programs on behalf of municipalities, oversaw improvements to program design, allocated and directed staff and consultants, managed contracts with municipalities and independent contractors, managed fiscal year budgets for municipal clients.
- Facilitated the release of approximately 1,000 liens in partnership with City and County agencies.

Habitat for Humanity Greater San Francisco, San Francisco, CA

Assistant Project Manager

October 2013 – March 2016

- Supported two Project Managers and VP of Real Estate in funding proposals, property due diligence and site acquisition, feasibility, contract management, and reporting to Board of Directors.
- Prepared Bureau of Real Estate public report packages for Planned Unit Developments.
- Facilitated interdepartmental planning meetings involving staff and Board committees.
- Spoke publicly on behalf of organization at City Council, Planning Commission, and local funder meetings.
- Facilitated organizational process improvements including consulted technology systems audit.
- Legal document review including service agreements, funding agreements, real estate and HOA documents.

BRIDGE Housing Corporation, San Francisco, CA

Occupancy Coordinator

March 2013 – October 2013

Occupancy Specialist

September 2010 – March 2013

Leasing Agent

August 2009 – September 2010

- Created rent and income matrices, unit designations and rent rolls.
- Managed rent concessions to meet occupancy deadlines, represented BRIDGE during TCAC audits.
- Analyzed portfolio metrics and reported key indicators to senior leadership.
- Worked with asset managers to address occupancy issues at distressed properties.
- Created LIHTC compliance training curriculum and trained all new office and site staff.

LICENSES

State of California Bureau of Real Estate, Licensed Salesperson

2017

PROFESSIONAL DEVELOPMENT & COMMUNITY ACTIVITIES

Local Initiatives Support Corporation, Advanced Housing Development Training Institute Program

October 2019

San Francisco Eastern Neighborhoods Democratic Club, Founding Member, Transportation Director

2017 - 2018

EDUCATION

Bachelor of Arts, Psychology, University of Colorado, Boulder

2003 – 2007

Business Intensive Certificate, Applied Business, University of Colorado, Boulder

Summer 2007

Cathy Davis, MSW

Professional experience

Executive Director, *Bayview Hunters Point Multipurpose Senior Services, 2010 to present*

Responsibility for supervision of all staff, reporting to Board of Directors
Liaison and advocate for agency sponsored housing development activities
Oversight of agency budget and ongoing fundraising/ grant writing
Representing the agency in civic and political arenas, advocating for senior services
Maintaining contract compliance and developing new programs
Administrator of adult day health center
Represent the agency in all phases of housing development partnerships

Adult Day Health Director, *Bayview Hunters Point Multipurpose Senior Services, 1984-2010*

Organized and developed the adult day health center in 1984. Responsible for the day to day operations and served as leader of the multidisciplinary health care team, supervision of staff.
Served as the deputy director of the agency managing budgets, writing funding proposals, writing evaluation reports, organizing fundraisers. Wrote grants for and managed the following programs: Meals, Money Management, Health, Senior –Ex Offender Program and Senior Housing

Assistant Director, *Bayview Hunters Point Multipurpose Senior Services, 1978 - 1984*

Responsible for daily operations and program content of the agency's multipurpose senior center. Developed a senior service and recreation program from a core of 20 seniors to programming for over 500 seniors. Initiated senior involvement, and supervised staff.

VISTA Volunteer, *Decatur, Illinois, 1976- 1978*

Outreach Worker for seniors at Community Health Clinic, Decatur, Illinois

Education

BA Anthropology/ Sociology, 1976 Eisenhower College Seneca Falls, NY
MSW Program Administration, 1992 San Francisco State San Francisco, CA

Leadership Experience

- Mayor's Long Term Care Coordinating Council
- Lecturer, San Francisco State University, Dept of Social Work
- Chair, Board of Directors, Family of Women Inc.
- Chair, San Francisco Paratransit Coordinating Council
- Chair, Board of Directors, IHSS Consortium

An over forty five year commitment to developing senior services
Initiated the Bayview Hunters Point Adult Day Health Center, Money Management Program, Case Management Services and Housing Advocacy
Coordinated annual Black Cuisine Street Festival for over 43 years
Initiated Nutrition Program and incorporated Western Addition senior programs into agency
Took on leadership advocacy role low income housing in San Francisco
Organized the development of 1751 Carroll - 120 units of senior housing/ new senior center

Careem Conley
Careem@projectfeel.org

EXPERIENCE

Careem has over 20 years of experience in change management, staff retention, and professional development. Driven by a deep passion to succeed and committed to delivering positive results, He's worked primarily with mission-driven organizations including government agencies, non-profit groups, and social enterprises in the education, health, economic, housing, and justice arenas. Careem brings a rare blend of expertise in government systems, community-based services, and entrepreneurship.

Change Management, Data Analysis- Diversity & Inclusion - Equity based solutions creating High Morale - Staff Retention - Public/Private partnerships - Work Force development - Executive Coaching

June 2023 to present

**Bayview Hunters Point Multipurpose Senior Services
Housing Development Manager**

Assist agency's Executive Director in housing related projects including purchase of housing from small sites to large housing developments. Acts as agency liaison with funders and developers to represent the agency's interests in serving the community. Provides follow up and back up documentation as needed for asset management. Researches housing opportunities to grow the agency's ability to provide additional housing.

April 2022 – June 2023

Director of Business Development
BOSS – Building Opportunity for Self-Sufficiency

Mission is to help homeless, poor, and disabled people achieve health and self-sufficiency, and to fight against the root causes of poverty and homelessness. BOSS was created in 1971 to help individuals with severe and persistent mental illness who had become displaced because of public hospital closures. Programs and services expanded over the past five decades to include services for unhoused, disabled, and low-income individuals, families, and neighborhoods in Alameda County. In 2013, executive leadership expanded the mission and began developing solutions for mass incarceration and violence in the community as unaddressed crises stemming from racially biased policies and systemic inequities. Today, BOSS is recognized as a social justice leader with housing, reentry, violence prevention, along with innovative service delivery methodologies.

2012 – 2019

Principal Consultant
Majani

Provided a personalized plan and strategy for companies, and organizations. Individual interviews and analysis to highlight what inspires and motivates staff, clients or participants, to focus on goals from particular angles identified through the inquiry process, and align common interests in a shared vision that best meets the needs of the individual and/or business.

Partial Client List :

SF Mayors Office, SF Dept of Public Health, SF Public Defenders Office, SF Bar Association, Boys & Girls Club, Bayview Y, SF Zuckerberg General Hospital

2008-2013

SF Housing Development Corporation
Program Manager

SFHDC's mission is to foster financial stability through the development of affordable housing and the facilitation of home ownership, and to further economic revitalization in low-income areas

Responsibilities included:

- Oversee operations, planning and reporting on Homebuyer Program.
- Program Compliance and Evaluation.
- Develop and refine metrics to track program performance and pursue best practices.
- Develop and disseminate informational materials such as class options, education conferences, emerging and critical topics related to Forecast and future opportunity.
- Identify opportunities for new programs and services.
- Support program-related advocacy, communications and membership efforts.
- Represent SFHDC at National conferences, trainings and professional events.
- Assist with National Conference themes, tracks and presentations.
- Serve as staff liaison to Government and Foundations.

EDUCATION

•
1995-1998 San Francisco State University
(Associate degree program)

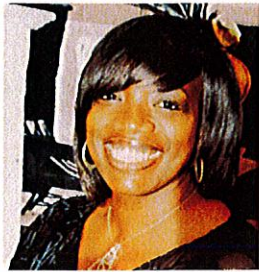
California Degree Associate (Special program housed at SFSU)

City College of San Francisco (attended)

A life long certificated learner with expertise in strategy and management

Janet Brown

Housing Coordinator | BHPMSS Co-Lead



EDUCATION

City College of San Francisco, California

REGISTRATION / LICENSES

Department of Corporations/Broker Lenders License

PROFESSIONAL EXPERIENCE

Housing Coordinator

Bayview Senior Services, 2009 to present

- Responsible for implementing a housing program that identifies and coordinates access to housing opportunities for seniors, disabled persons and low income people.
- Responsible for meeting goals of the overall housing assistance program activities.
- Supervises and trains staff in how to assist clients in overcoming barriers to getting into housing such as credit and criminal background.
- Researches and develops potential opportunities with landlords and managers.
- Acts as liaison with housing managers to inform staff/clients when waiting lists are open.
- Ensures a robust housing application assistance program is in place in locations in Bayview and Western Addition.
- Markets the Certificates of Preference opportunity and coordinates as needed with COP Staff at the Mayor's Office of Housing.

- Convenes meetings, trainings and workshops about housing.
- Develops new housing workshop locations, maintains workshop schedule and coordinates outreach for workshop.
- Oversees ongoing marketing efforts to inform seniors and persons with disabilities about housing opportunities.
- Ensures master housing list and documentation is kept on all clients regarding their housing eligibility, needs and progress.
- Represents Bayview Senior Services at community and city meetings re: housing.
- Oversees advocacy for clients at risk of losing housing-filing appeals, writing letters, calling housing managers, attending hearings.

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Director of Resident Services/Resource Center
Northridge Cooperative Homes, 2009 to 2013
Provided high-level support to the site manager.

- Provided high-level support to the residents with a specific emphasis with the senior residents.
- Supported and coordinated all events and meetings for the Board of Directors.
- Coordinated all the properties yearly events, including fundraising.
- Facilitated interaction with vendors.
- Performed a variety of resident functions, addressing inquiries of current residents and potential residents.
- Developed resident programs to increase awareness and to ensure a healthy community.
- Responsible for the resource center daily activities, computer room usage and the music recording studio.

Attachment D: Asset Management Evaluation of Project Sponsors

Please see Loan Conditions 11.2.5. in Section 11.2 Recommended Loan Conditions

of projects and avg. # of units/project currently in Sponsors's asset management portfolio

Neither CD nor BSS have an in-house asset management function, but CD is developing that capacity.

Sponsors's current asset management staffing – job titles, FTEs, avg # units assigned to each FTE, org chart and status of each position (filled/vacant)

Neither CD nor BSS have an in-house asset management function, but CD is developing that capacity.

description of scope and range of duties of Sponsors's asset management team

1. Future CD AM will monitor the financial and physical health of the asset. They will produce financial projections in order to monitor the long-term viability of the property. AM will work closely with Property Management, resident services, and finance to evaluate monthly reports, identify trends and operational issues, and implement any required corrective actions or initiatives. Specifically:
 - a. AM will routinely perform a remaining useful life analysis in conjunction with monitoring the replacement reserve to ensure the property has sufficient available funding to address ongoing capital needs. Additionally, a Capital Needs Assessment and Replacement Reserve study will be performed every three to five years to inform capital improvement projects and AM's strategic planning.
 - b. Prior to year 15, AM will prepare for the tax credit investor's exit and evaluate whether resyndication, refinance, or debt restructure is appropriate at that time.
 - c. AM will also review monthly variance reports, Accounts Receivable reports, and occupancy reports with a focus to proactively address operations issues.
 - d. Review monthly and annual reports from the management company The PM company (JSCo), will produce monthly reports which the Asset Management (AM) function will review. AM will coordinate with PM when issues arise with occupancy, rent and/or subsidy delinquencies, operating expenses, etc. In addition to regular reporting procedures, AM and PM will meet regularly to discuss issues at the property so that they can be addressed as necessary.
 - e. At least annual physical property inspections AM will walk the property with PM annually; PM will record any functionality or latent issues in a software that allows AM to ensure that the issues are addressed. As the property ages and building systems reach the end of their useful life, AM and PM will work together to prioritize capital improvements. When the property approaches year 15, PM and AM will evaluate the breadth of property needs and determine whether larger rehab/resyndication is necessary. When the time comes to resyndicate, AM and PM will work closely together with the development function to prepare a scope of work and budget for the major rehab.
 - f. Monitor compliance AM will work with PM to ensure that TCAC recertifications and any OCII, CDLAC, and CalHFA reporting are completed timely and accurately. AM will manage all compliance audits with the support of PM and Facilities Management (FM), which will be under the PM umbrella.

- g. Provide required reports to lenders/investors PM will supply the appropriate reports, AM will share and communicate with the lenders and investor.
- h. Monitor regulatory agreement requirements AM will track unit all designations and other regulatory requirements.
- i. Oversee project accounting, annual audits and tax returns, and monitor reserves AM will oversee PM's work on project accounting and annual audits. AM will manage CPA to file annual tax returns. AM will perform reserve monitoring function primarily on its own.
- j. Maintain insurance AM will work with insurance broker to maintain all required insurance policies. AM will work with PM and FM regarding any claims or to collect any necessary information.

description of Sponsors's coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc.

CD will oversee asset management for the Project and may work closely with a future management company who will oversee compliance. Specifically, CD will perform the following asset management tasks:

- Review monthly and annual reports from the management company
- At least annual physical property inspections
- Monitor compliance
- Provide required reports to lenders/investors
- Monitor regulatory agreement requirements
- Oversee project accounting, annual audits and tax returns, and monitor reserves
- Maintain insurance

The sponsor will contract directly with JSCo at minimum on a monthly basis during operations. Monthly meetings will take place to review financial and occupancy reporting as well as any issues facing the property.

Sponsors's budget for asset management team – shown as cost center for projects in SF

The budgeted asset management fee reflected in the Phase I proforma project cash flow is \$29,846.

The budgeted asset management fee reflected in the Phase II proforma project cash flow is \$31,972.

of projects expected to be in Sponsors's AM portfolio in 5 years and, if applicable, plans to augment staffing to manage growing portfolio

CD expects to have 5 projects in its AM portfolio in 5 years including both phases of Mission Bay Block 4 East. CD will augment staffing either in house or by contracting with a third party to perform some of the functions listed above. While BSS will be Managing GP in at least 5 projects in 5 years, including Mission Bay Block 4 East and 2 currently in development, the AM function is performed by the Administrative General Partner. BSS has the right to assume sole ownership of most of Dr. George Davis Senior Residence and Candlestick Heights at the end of the compliance period (in approx. 10 years) and will establish an AM function closer to this milestone.

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

RFQ and Applicant Teams

On November 9, 2024, OCII staff released an RFQ to develop, own and operate affordable rental housing units, including units set aside for households experiencing homelessness at Mission Bay South Block 4 East. The RFQ established the following program requirements:

Block 4 East Development Program Summary	
Target population	<ul style="list-style-type: none"> • Preference Holders • Low-income families • Approx. 20% of units designated for households experiencing homelessness
Number and type of units	Up to 165* high quality units with a target mix of: <ul style="list-style-type: none"> • 25% one-bedroom • 50% two-bedroom • 25% three-bedroom
Area Median Income (“AMI”) and rent restrictions	Tiered income levels targeted to meet the needs of preference populations, including Preference Holders, at up to 80% MOHCD AMI, provided that the average AMI for all affordable units is at or below 60% AMI in accordance with the Mission Bay Housing Policy
Commercial	Ground floor space for community or neighborhood serving commercial use
Parking	Vehicle: provide resident parking to the extent financially feasible Bicycle: Class I bicycle parking spaces at a target ratio of 1 space for every 2 units

**OCII is limited to 165 units under the OPA. OCII’s development authority may be expanded, and the number of affordable units on Block 4 East may be increased and the site may be developed in one or more buildings and/or phases.*

The deadline for submitting responses was January 19, 2024, and by that date OCII received four (4) proposals from the following applicant teams:

1. Curtis Development as lead developer and Bayview Senior Services as co-developer
 - a. Architect: Y.A. studio
 - b. Property Manager: The John Stewart Company (“JSCo”)
 - c. Services Provider: BSS
 - d. Workforce Representative: Davis & Associates Communications, Inc.

2. Mercy Housing California (“MHC”) as lead developer with Booker T. Washington Community Service Center (“BTWCSC”) as co-developer; and Tenderloin Neighborhood Development Corporation (“TNDC”) as lead developer with Young Community Developers (“YCD”) as co-developer
 - a. Architect: Kennerly Architecture & Planning, Inc.
 - b. Property Manager: TNDC and MHC
 - c. Services Provider: TNDC and MHC
 - d. Workforce Representative: Monte Wilson and YCD

3. Related California (“Related”) as lead developer and Bernal Heights Neighborhood Center (“BHNC”) as co-developer
 - a. Architect: Mithun
 - b. Property Manager: Related Management Company
 - c. Services Provider: Lutheran Social Services
 - d. Workforce Representative: TBD, intended to procure if selected

4. San Francisco Housing Development Corporation (“SFHDC”) as lead developer and MidPen as co-developer
 - a. Architect: David Baker Architects
 - b. Property Manager: MidPen Property Management Corporation
 - c. Services Provider: SFHDC and MidPen Resident Services Corporation
 - d. Workforce Representative: SFHDC, potential for consultant support

Selection Process and Criteria

An 8-person, interdisciplinary evaluation panel interviewed all four (4) teams and scored their submittals. The panel that consisted of representative from the Mission Bay Citizens Advisory Committee (“CAC”), MOHCD, HSH, OCII (i.e., Design, Project Area Management, and Housing). OCII contract compliance team participation also ensured compliance with this RFQ’s procedural guidelines and provided analysis of the Workforce and Contracting Action Plan sections of each submittal. The panel use the following scoring criteria:

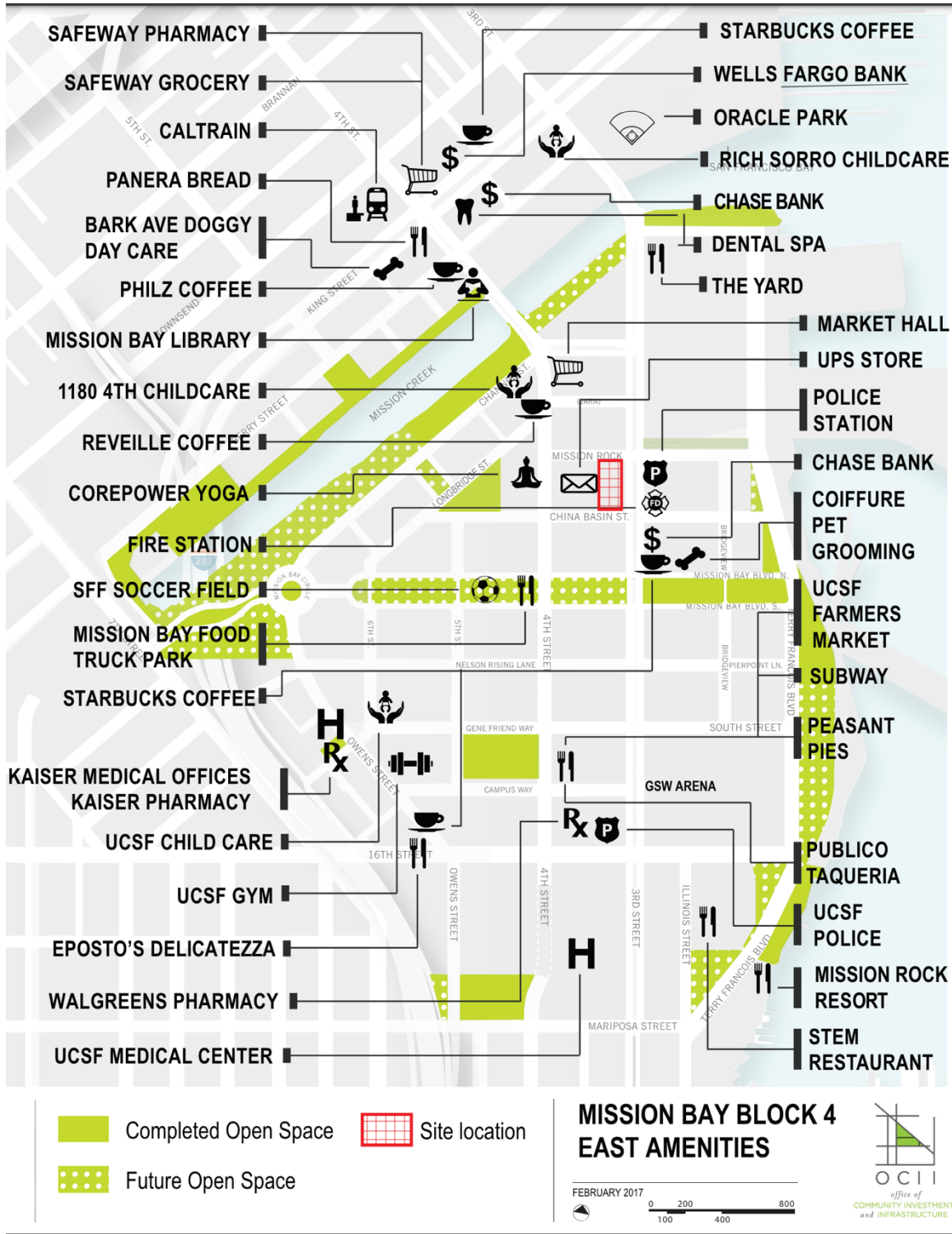
Maximum Points	Criteria
30	Development Vision
10	Development approach:
5	Design approach
5	Property management approach
5	Supportive services approach
5	Marketing approach

70	Team Experience and Capacity
10	Applicant team composition and structure
10	Lead Developer experience and capacity
10	Co-Developer experience and capacity
10	Architect experience and capacity
10	Equal Opportunity Program/Workforce and Contracting Action Plan
10	Services provider experience and capacity
10	Property Manager experience and capacity
100	Total Points

The proposal from CD and BSS received the highest total points.

Based on the results from the evaluation panel, OCII staff recommended that CD and BSS be selected to develop the Project. The recommendation was heard by the OCII Commission on May 21, 2024. The Sponsors and OCII staff continue to discuss development timeline, process, and initial massing and concept design. The Sponsors will soon begin the process of procuring a full-time consultant team, and is working with OCII Contract Compliance staff to ensure the participation of local firms and contractors.

Attachment F: Site Map with amenities and Site Map with Phasing



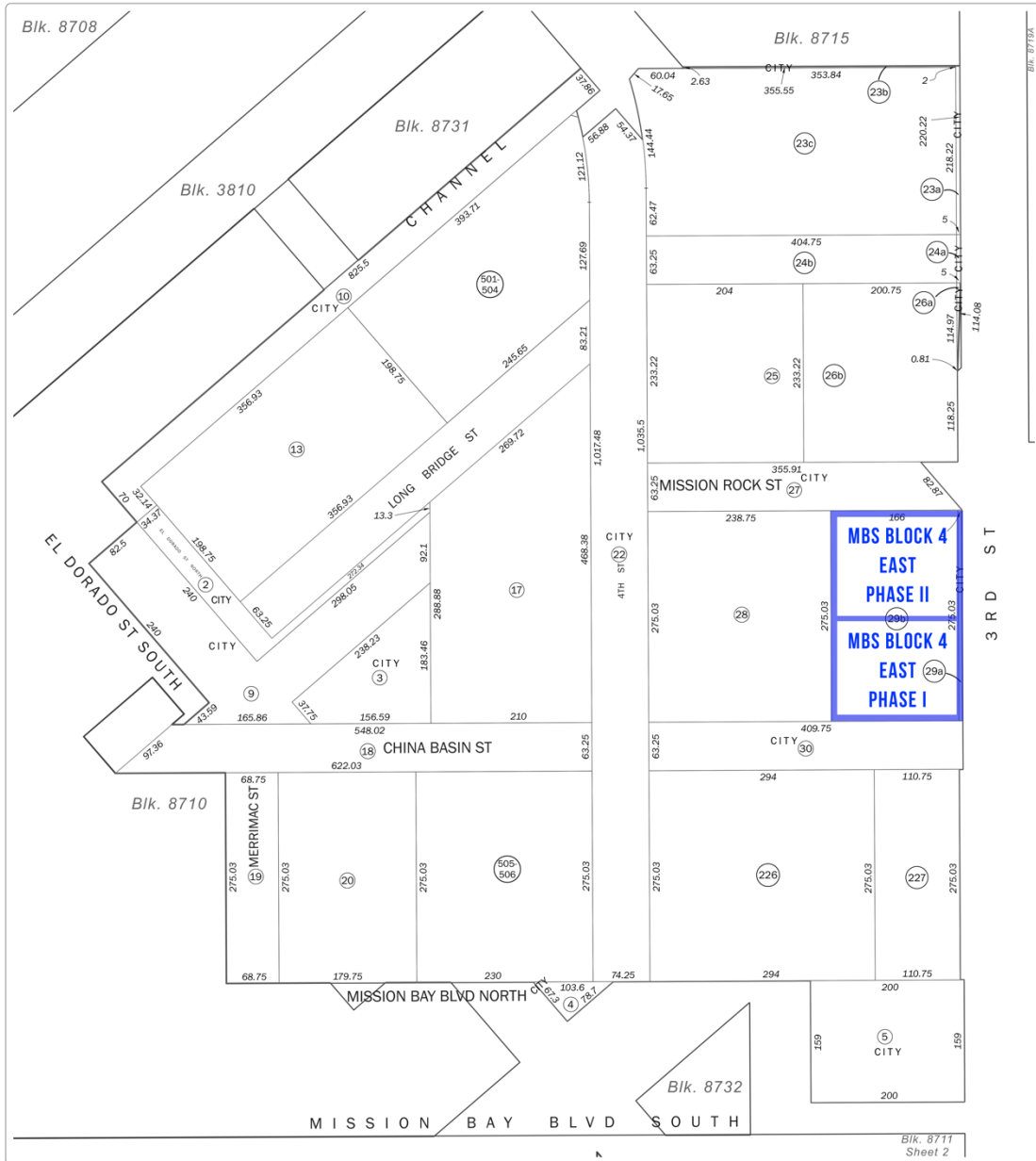
- SAFeway PHARMACY
- SAFeway GROCERY
- CALTRAIN
- PANERA BREAD
- BARK AVE DOGGY DAY CARE
- PHILZ COFFEE
- MISSION BAY LIBRARY
- 1180 4TH CHILDCARE
- REVEILLE COFFEE
- COREPOWER YOGA
- FIRE STATION
- SFF SOCCER FIELD
- MISSION BAY FOOD TRUCK PARK
- STARBUCKS COFFEE
- KAISER MEDICAL OFFICES
- KAISER PHARMACY
- UCSF CHILD CARE
- UCSF GYM
- EPOSTO'S DELICATEZZA
- WALGREENS PHARMACY
- UCSF MEDICAL CENTER
- STARBUCKS COFFEE
- WELLS FARGO BANK
- ORACLE PARK
- RICH SORRO CHILDCARE
- CHASE BANK
- DENTAL SPA
- THE YARD
- MARKET HALL
- UPS STORE
- POLICE STATION
- CHASE BANK
- COIFFURE PET GROOMING
- UCSF FARMERS MARKET
- SUBWAY
- PEASANT PIES
- PUBLICO TAQUERIA
- UCSF POLICE
- MISSION ROCK RESORT
- STEM RESTAURANT

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MISSION BAY
TRACT NO. 3936

Block 8711

SHEET 1 OF 3



**SAN FRANCISCO CITY & COUNTY
ASSESSOR'S BLOCK MAP**

DISCLAIMER: THIS MAP WAS PREPARED FOR ASSESSMENT
PURPOSES ONLY. ASSESSOR'S PARCELS MAY NOT COMPLY
WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

REVISED 2023



Attachment G: Elevations and Floor Plans

N/A

**Attachment H: Comparison of City Investment in Other Housing
Developments**

Attachment I: Predevelopment Budget

Mission Bay South Block 4 East - Phase I and II Predevelopment Uses Breakdown

Loan Eval Category	Use	Phase I	Phase I Deliverable	Phase I Schedule	Phase II (thru 5/2025)	Phase II Deliverable	Phase II Schedule	Phase I & II Total
A&E	Architect Design Fees	1,235,000	Construction documents including submission of all building permit addenda under architect's scope	See Loan Eval Attachment A for detail	780,750	100% SD	3/31/25	2,015,750
A&E	Subconsultant Design Fees	83,125	Same as above	Same as above	104,100	100% SD	3/31/25	187,225
A&E	Landscape Irrigation	16,625	Same as above	Same as above	-	-	-	16,625
A&E	Fire/Building Codes	28,396	Same as above	Same as above	-	-	-	28,396
A&E	Acoustical	166,250	Same as above	Same as above	-	-	-	166,250
A&E	Mech/Plumb/Fire Spr	89,775	Same as above	Same as above	-	-	-	89,775
A&E	Elec + Low Voltage Specifications	36,575	Same as above	Same as above	-	-	-	36,575
A&E	Structural	133,199	Same as above	Same as above	156,150	100% SD	3/31/25	289,349
A&E	Sustainability/LEED/Title 24	41,230	Same as above	Same as above	-	-	-	41,230
A&E	Waterproofing	43,225	Same as above	Same as above	-	-	-	43,225
A&E	Lighting Consultant	26,600	Same as above	Same as above	-	-	-	26,600
A&E	Survey	25,000	ALTA survey for concept design, OCII predev closing, Tentative and Final Map	ALTA: 9/2024 TM: 3/2025 FM: 1/2026	15,000	ALTA survey for concept design, OCII predev closing, Tentative and Final Map	ALTA: 9/2024 TM: 3/2025 FM: 1/2026	40,000
A&E	Geotech	80,000	Geotechnical investigation report	12/31/24	65,000	Geotechnical investigation report	12/31/24	145,000
A&E	Phase I/II	40,000	Phase II ESA	1/31/25	36,000	Phase II ESA	1/31/25	76,000
A&E	NEPA	30,000	NEPA report for local agency review	12/31/25	-	NEPA report for local agency review	12/31/25	30,000
A&E	Dry Utilities	30,000	Joint Trench intent drawings and PG&E temp power coordination	Intent drawings: early 2025 PG&E Temp Power app: early 2026	20,000	Joint Trench intent drawings and PG&E temp power coordination	Intent drawings: early 2025 PG&E Temp Power app: early 2027	50,000
A&E	Archeological	7,500	Archeological monitoring plan as required	9/30/25	7,500	Archeological monitoring plan as required	9/30/25	15,000
Consultant & Legal	Workforce and Contract Action Plan (WCAP) consultant	40,000	Professional and Construction Services procurement and community outreach plan; consultant/contractor engagement during RFQ/P process; community engagement in accordance with outreach plan	WCAP: 8/31/24 RFQ Round 1: 9/30/24 RFQ Round 2: 3/31/25 Community Engagement: 4/1/25-6/30/25	30,000	Professional and Construction Services procurement and community outreach plan; consultant/contractor engagement during RFQ/P process; community engagement in accordance with outreach plan	WCAP: 8/31/24 RFQ Round 1: 9/30/24 RFQ Round 2: 3/31/25 Community Engagement: 4/1/25-6/30/25	70,000
A&E	Civil	37,500	Civil engineering for schematic design and DPW, MTA & PUC plans (street improvement, stormwater, etc.)	SD: 10/31/24 DPW/MTA/PUC: TBD	36,000	Civil engineering for schematic design and DPW, MTA & PUC plans (street improvement, stormwater, etc.)	SD: 10/31/24 DPW/MTA/PUC: TBD	73,500
	Title & Recording	10,000	OCII predev loan closing	9/30/24	-	-	-	10,000
Consultant & Legal	Borrower Legal	36,500	OCII predev loan closing, tentative & final map and parcel subdivision	OCII closing: 9/30/2024 TM: 3/31/25 FM: 1/31/26	10,000	Tentative & final map and parcel subdivision	TM: 3/31/25 FM: 1/31/26	46,500
Consultant & Legal	Tax Credit Counsel	45,000	Tax counsel related to LHTC and tax exempt bonds	TBD	-	-	-	45,000
Consultant & Legal	Syndication Legal	63,000	Legal counsel related to syndication closing (LPA, bond documents, etc.)	12/31/26	-	-	-	63,000
Consultant & Legal	Appraisal	15,000	Property appraisals for MIP funding and construction closing	MIP application: 2/28/26 Construction closing: 3/31/27	-	-	-	15,000
Consultant & Legal	Market Study	10,000	Market study for MIP and TCAC applications	2/28/26	-	-	-	10,000
	Organizational Costs	10,064	Borrower entity formation and misc org expenses	LP formation: 7/31/24 Misc expenses: ongoing	7,500	Borrower entity formation and misc org expenses	LP formation: 7/31/24 Misc expenses: ongoing	17,564
Entitlement Fees	Entitlement/Permits	12,000	Wind study	7/31/25	-	-	-	12,000
	Utility Fees	75,000	PG&E temp and perm power engineering fees	9/1/25	25,000	PG&E temp and perm power engineering fees	7/1/26	100,000
	TCAC Fees	78,125	TCAC reservation fee	2/1/26	-	-	-	78,125
CM	Construction Manager	108,000	Precon CM services	Ongoing	42,000	Precon CM services	Ongoing	150,000
	CDLAC Fees	29,129	Application/Allocation fees	8/31/27	-	-	-	29,129
Contingency	Contingency	143,182	Contingency budget for unforeseen expenses	Ongoing	45,000	Contingency budget for unforeseen expenses	Ongoing	188,182
Developer Fee	Developer Fee	675,000	Project Management fee for acq/predev loan closing and fee available during predevelopment	9/30/24	231,731	-	-	906,731
Total		3,500,000			1,611,731			5,111,730

Application Date: 6/24/24 # Units: 165
 Project Name: Mission Bay South Block 4 East Phase I # Bedrooms: LOSP Project
 Project Address: 3rd Street # Beds:
 Project Sponsor: Curtis Development

SOURCES	Total Sources						Comments
	3,500,000	-	-	-	-	-	3,500,000
Name of Sources:	MOHCD/OCII						

USES

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

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab							0	Include FF&E
Commercial Shell Construction							0	
Demolition							0	
Environmental Remediation							0	
Onsite Improvements/Landscaping							0	
Offsite Improvements							0	
Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes							0	
GC Overhead & Profit							0	
CG General Conditions							0	
Sub-total Construction Costs	0	0	0	0	0	0	0	
Design Contingency (remove at DD)							0	5% up to \$30MM HG, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)							0	5% up to \$30MM HG, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to \$30MM HG, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency							0	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	0	0	0	0	0	0	0	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees	1,235,000						1,235,000	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	665,000						665,000	
Architect Construction Admin							0	
Reimbursables							0	
Additional Services							0	
Sub-total Architect Contract	1,900,000	0	0	0	0	0	1,900,000	
Other Third Party design consultants (not included under Architect contract)							0	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	1,900,000	0	0	0	0	0	1,900,000	

Engineering & Environmental Studies

Survey	25,000						25,000	
Geotechnical studies	80,000						80,000	
Phase I & II Reports	40,000						40,000	
CEQA / Environmental Review consultants							0	
NEPA / 106 Review	30,000						30,000	
CNA/PNA (rehab only)							0	
Other environmental consultants	115,000						115,000	Other: HazMat, Vibration Monitor, Tribal Monitor, Dust Control
Total Engineering & Environmental Studies	290,000	0	0	0	0	0	290,000	

Financing Costs

Construction Financing Costs								
Construction Loan Origination Fee							0	
Construction Loan Interest							0	
Title & Recording	10,000						10,000	
CDLAC & CDIAC fees							0	
Bond Issuer Fees							0	
Other Bond Cost of Issuance							0	
Other Lender Costs (specify)							0	
Sub-total Const. Financing Costs	10,000	0	0	0	0	0	10,000	
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	
Total Financing Costs	10,000	0	0	0	0	0	10,000	

Legal Costs

Borrower Legal fees	36,500						36,500	
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel	45,000						45,000	
Bond Counsel							0	
Construction Lender Counsel							0	
Permanent Lender Counsel							0	
Other Legal (syndication)	63,000						63,000	
Total Legal Costs	144,500	0	0	0	0	0	144,500	

Other Development Costs

Appraisal	15,000						15,000	
Market Study	10,000						10,000	
Insurance							0	
Property Taxes							0	
Accounting / Audit							0	
Organizational Costs	10,064						10,064	
Entitlement / Permit Fees	12,000						12,000	
Marketing / Rent-up							0	
Furnishings							0	\$2,000/unit; See MOHCD U/W Guidelines: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees	75,000						75,000	
TCAC App / Alloc / Monitor Fees	78,125						78,125	
Financial Consultant fees							0	
Construction Management fees / Owner's Rep	108,000						108,000	
Security during Construction							0	
Relocation							0	
Other (CDLAC Fee)	29,129						29,129	
Other (CDLAC Performance Deposit)							0	
Other (specify)							0	
Total Other Development Costs	337,318	0	0	0	0	0	337,318	

Total Soft Cost Contingency as % of Total Soft Costs 5.3%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	143,182	0	0	0	0	0	143,182	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	2,825,000	0	0	0	0	0	2,825,000	

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	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	675,000						675,000	
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	
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)							0	
TOTAL DEVELOPER COSTS	675,000	0	0	0	0	0	675,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	3,500,000	0	0	0	0	0	3,500,000	
Development Cost/Unit as % of TDC by Source	21,212	0	0	0	0	0	21,212	
	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit By Source	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/SF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	10,064
	21,212

Tax Credit Equity Pricing:

Construction Bond Amount:	0.94
Construction Loan Term (in months):	89,281,326
Construction Loan Interest Rate (as %):	39 months
	7.80%

Application Date: 6/25/24 # Units: 235
 Project Name: Mission Bay South Block 4 East Phase II # Bedrooms:
 Project Address: 3rd Street # Beds:
 Project Sponsor: Curtis Development

LOSP Project

						Total Sources	Comments
SOURCES	1,611,731	1,888,269	-	-	-	3,500,000	
		OCII (Future Predev Loan Request)					

USES

Name of Sources: MOHCD/OCII

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	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab							0	Include FF&E
Commercial Shell Construction							0	
Demolition							0	
Environmental Remediation							0	
Onsite Improvements/Landscaping							0	
Offsite Improvements							0	
Infrastructure Improvements							0	HOPE SF/OCII costs for streets etc.
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes							0	
GC Overhead & Profit							0	
CG General Conditions							0	
Sub-total Construction Costs	0	0	0	0	0	0	0	
Design Contingency (remove at DD)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)							0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency							0	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	0	0	0	0	0	0	0	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees	780,750	454,250					1,235,000	See MOHCD A/E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	260,250	404,750					665,000	
Architect Construction Admin							0	
Reimbursables							0	
Additional Services							0	
Sub-total Architect Contract	1,041,000	859,000	0	0	0	0	1,900,000	
Other Third Party design consultants (not included under Architect contract)	93,500	21,500					115,000	Joint trench, archeological, WCAP, Civil
Total Architecture & Design	1,134,500	880,500	0	0	0	0	2,015,000	

Engineering & Environmental Studies

Survey	15,000	10,000					25,000	
Geotechnical studies	65,000	15,000					80,000	
Phase I & II Reports	36,000	4,000					40,000	
CEQA / Environmental Review consultants							0	
NEPA / 106 Review		30,000					30,000	
CNA/PNA (rehab only)							0	
Other environmental consultants							0	Other: HazMat, Vibration Monitor, Tribal Monitor, Dust Control
Total Engineering & Environmental Studies	116,000	59,000	0	0	0	0	175,000	

Financing Costs

Construction Financing Costs								
Construction Loan Origination Fee							0	
Construction Loan Interest							0	
Title & Recording		10,000					10,000	
CDLAC & CDIAC fees							0	
Bond Issuer Fees							0	
Other Bond Cost of Issuance							0	
Other Lender Costs (specify)							0	
Sub-total Const. Financing Costs	0	10,000	0	0	0	0	10,000	
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	
Total Financing Costs	0	10,000	0	0	0	0	10,000	

Legal Costs

Borrower Legal fees	10,000	26,500					36,500	
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel		45,000					45,000	
Bond Counsel							0	
Construction Lender Counsel							0	
Permanent Lender Counsel							0	
Other Legal (syndication)		63,000					63,000	
Total Legal Costs	10,000	134,500	0	0	0	0	144,500	

Other Development Costs

Appraisal		15,000					15,000	
Market Study		10,000					10,000	
* Insurance							0	
* Property Taxes							0	
* Accounting / Audit							0	
* Organizational Costs	7,500	2,564					10,064	
Entitlement / Permit Fees		12,000					12,000	
* Marketing / Rent-up							0	
* Furnishings							0	\$2,000/unit; See MOHCD UAW Guidelines: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees	25,000	50,000					75,000	
TCAC App / Alloc / Monitor Fees		78,125					78,125	
* Financial Consultant fees							0	
Construction Management fees / Owner's Rep	42,000	70,182					112,182	
Security during Construction							0	
* Relocation							0	
Other (CDLAC Fee)		29,129					29,129	
Other (CDLAC Performance Deposit)							0	
Other (specify)							0	
Total Other Development Costs	74,500	267,000	0	0	0	0	341,500	

Total Soft Cost Contingency as % of Total Soft Costs 5.2%

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	45,000	94,000	0	0	0	0	139,000	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	1,380,000	1,445,000	0	0	0	0	2,825,000	

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	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	231,731	443,269					675,000	
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	
Development Consultant Fees							0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)							0	
TOTAL DEVELOPER COSTS	231,731	443,269	0	0	0	0	675,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	6,858	8,035	0	0	0	0	14,894	
Development Cost/Unit as % of TDC by Source	46.0%	54.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	
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Construction Cost (inc Const Contingency)/Unit By Source

	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
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*Possible non-eligible GO Bond/COP Amount:

7,500

City Subsidy/Unit

6,858

Tax Credit Equity Pricing:

0.94

Construction Bond Amount:

123,189,147

Construction Loan Term (in months):

39 months

Construction Loan Interest Rate (as %):

7.80%

Attachment J: Development Budget

Application Date: 6/25/24
Project Name: Mission Bay South Block 4 East Phase II
Project Address: 3rd Street
Project Sponsor: Curtis Development
Units: 235
Bedrooms:
Beds:
LOSP Project

Table with columns: SOURCES, Name of Sources: MOHCD/OCIL, Tax Credit Equity, CalHFA Perm Loan, CalHFA MIP, Deferred Developer Fee, AHP, State Tax Credit Equity, Total Sources, Comments

USES

Table with columns: ACQUISITION, Acquisition cost or value, Legal / Closing costs / Broker's Fee, Holding Costs, Transfer Tax, TOTAL ACQUISITION

CONSTRUCTION (HARD COSTS)

Table with columns: Construction items (Unit Construction/Rehab, Commercial Shell Construction, Demolition, etc.), Costs, and Contingencies

SOFT COSTS

Table with columns: Soft cost categories (Architecture & Design, Engineering & Environmental Studies, Financing Costs, Legal Costs, Other Development Costs, Soft Cost Contingency), Costs, and Total Soft Cost Contingency

RESERVES

Table with columns: Reserves (Operating Reserves, Replacement Reserves, Tenant Improvements Reserves, etc.), TOTAL RESERVES

DEVELOPER COSTS

Table with columns: Developer costs (Developer Fee - Cash-out Paid at Milestones, Developer Fee - Cash-out At Risk, Commercial Developer Fee, etc.), TOTAL DEVELOPER COSTS

Table with columns: TOTAL DEVELOPMENT COST, Development Cost/Unit by Source, Development Cost/Unit as % of TDC by Source

Table with columns: Acquisition Cost/Unit by Source, Construction Cost (inc Const Contingency)/Unit By Source, Construction Cost (inc Const Contingency)/SF

Table with columns: Possible non-eligible GO Bond/COP Amount, City Subsidy/Unit, Tax Credit Equity Pricing, Construction Bond Amount, Construction Loan Term (in months), Construction Loan Interest Rate (as %)

Attachment K: 1st Year Operating Budget

Attachment L: 20-year Operating Proforma

	Total # Units: 165	LOSP Units		Non-LOSP Units		Year 1 2029			Year 2 2030			Year 3 2031		
		33	132	20.00%	80.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest														
<i>Other Required Reserve 2 Running Balance</i>														

Mission Bay South Block 4 East Phase I

Table with columns for units, annual increase, and years 2032-2034. Rows include Income, Operating Expenses (Management, Salaries/Benefits, Administration, Utilities, Taxes and Licenses, Insurance, Maintenance & Repair, Supportive Services), Reserves/Ground Lease Base Rent/Bond Fees, Debt Service, Cash Flow, and Residual Receipts/Debt Service.

INCOME	Total # Units: 165	LOSP Units		Non-LOSP Units		Year 4 2032			Year 5 2033			Year 6 2034		
		20.00%		80.00%		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest														
<i>Other Required Reserve 2 Running Balance</i>														

INCOME	Total # Units: 165	LOSP Units		Non-LOSP Units		Year 7 2035			Year 8 2036			Year 9 2037		
		33		132		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
		% annual inc	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest		20.00%	80.00%											
<i>Other Required Reserve 2 Running Balance</i>														

INCOME	Total # Units: 165	LOSP Units		Non-LOSP Units 132	Year 10 2038			Year 11 2039			Year 12 2040								
		% annual inc LOSP	% annual increase		Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total					
Other Reserve 2 Interest		20.00%	80.00%																
<i>Other Required Reserve 2 Running Balance</i>																			

	Total # Units: 165	Units		Comments (related to annual inc assumptions)	Year 13 2041			Year 14 2042			Year 15 2043		
		LOSP	Non-LOSP		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME													
Other Reserve 2 Interest		20.00%	80.00%										
<i>Other Required Reserve 2 Running Balance</i>													

	Total # Units: 165	LOSP Units		Non-LOSP Units		Year 16 2044			Year 17 2045			Year 18 2046		
		33	132	20.00%	80.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest														
<i>Other Required Reserve 2 Running Balance</i>														

INCOME	Total # Units: 165	LOSP Units		Non-LOSP Units		Year 19 2047			Year 20 2048			
		20.00%		80.00%		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)								
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>												

	Total # Units: 235	LOSP Units		Non-LOSP Units		Year 1 2030			Year 2 2031			Year 3 2032		
		47	188	20.00%	80.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest														
<i>Other Required Reserve 2 Running Balance</i>														

INCOME	Total # Units: 235	LOSP Units		Non-LOSP Units 188	Year 4 2033			Year 5 2034			Year 6 2035												
		% annual inc LOSP	% annual increase		Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total									
															20.00%	80.00%							
Other Reserve 2 Interest																							
<i>Other Required Reserve 2 Running Balance</i>																							

INCOME	Total # Units: 235	LOSP Units		Comments (related to annual inc assumptions)	Year 7 2036			Year 8 2037			Year 9 2038			
		47	188		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
		20.00%	80.00%											
Other Reserve 2 Interest		% annual inc LOSP	% annual increase											
<i>Other Required Reserve 2 Running Balance</i>														

	Total # Units: 235	LOSP Units		Non-LOSP Units 188	Year 10 2039			Year 11 2040			Year 12 2041						
		47	20.00%		80.00%	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME																	
Other Reserve 2 Interest																	
<i>Other Required Reserve 2 Running Balance</i>																	

	Total # Units: 235	LOSP Units		Non-LOSP Units 188	Year 13 2042			Year 14 2043			Year 15 2044							
		47	188		20.00%	80.00%	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME																		
Other Reserve 2 Interest																		
<i>Other Required Reserve 2 Running Balance</i>																		

	Total # Units: 235	LOSP Units		Non-LOSP Units		Year 16 2045			Year 17 2046			Year 18 2047		
		47	188	20.00%	80.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)										
Other Reserve 2 Interest														
<i>Other Required Reserve 2 Running Balance</i>														

INCOME	Total # Units: 235	LOSP Units		Non-LOSP Units		Year 19 2048			Year 20 2049			
		47		188		LOSP	non- LOSP	Total	LOSP	non- LOSP	Total	
		% annual inc LOSP	% annual increase	20.00%	80.00%							
Other Reserve 2 Interest												
<i>Other Required Reserve 2 Running Balance</i>												

EXCLUSIVE NEGOTIATIONS AGREEMENT
Mission Bay South Block 4 East
Mission Bay South Redevelopment Project Area

THIS EXCLUSIVE NEGOTIATIONS AGREEMENT (hereinafter “**ENA**”) dated as of September 3, 2024, is made 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 and commonly referred to as the Office of Community Investment and Infrastructure (“**OCII**” or “**Successor Agency**”), Mission Bay 4 East Associates, L.P., a California limited partnership (“**Phase I Developer**”), whose administrative general partner is CD MB4E, LLC, (“**Phase I AGP**”), a California limited liability company, and whose managing general partner is Bayview Hunters Point Multipurpose Senior Services, Inc., hereafter referred to as Bayview Senior Services (“**BSS**”), a California nonprofit public benefit corporation, and Mission Bay 4 East Associates 2, L.P., a California limited partnership (“**Phase II Developer**,” and together with Phase I Developer, “**Developer**”), whose administrative general partner is CD MB4E 2, LLC (“**Phase II AGP**”), and whose managing general partner is BSS, and their authorized successors and assigns.

THIS ENA IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

1. 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**”) and the City and County of San Francisco (the “**City**”) established the Mission Bay South Redevelopment Project Area (the “**Project Area**”).

2. In accordance with CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Project Area by Ordinance No. 335-98 adopted on November 2, 1998, and amended it by Ordinance Nos. 143-13 (July 9, 2013), 32-18 (March 6, 2018), 128-20 (July 31, 2020), 209-20 (October 1, 2020), and 014-21 (February 12, 2021). The Redevelopment Plan for the Project Area, as amended, is referred to as the “**Mission Bay South Redevelopment Plan**.”

3. Pursuant to California Health & Safety Code § 34170 et seq. (the “**Redevelopment Dissolution Law**”) and San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (the “**Commission**”) and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency is responsible for implementing the Redevelopment Plan and fulfilling enforceable obligations, including the Mission Bay South Owner Participation Agreement between the Former Agency (succeeded by the Successor Agency) and FOCIL-MB, LLC (the “**Master Developer**”) (November 16, 1998), as amended (the “**OPA**”).

4. The OPA includes the Mission Bay South Housing Program (Attachment C to the OPA), which provides that the Master Developer will contribute parcels of land within the Project Area to Successor Agency, at no cost, for the development of up to 1,218 affordable housing units (these parcels are defined in the OPA as “**Agency Affordable Housing Parcels**”).

To date, 905 affordable residential units have been completed and another 148 affordable housing units are under construction on Agency Affordable Housing Parcels, leaving 165 affordable units to be developed under the current provisions of the OPA.

5. On November 9, 2023, OCII issued a Housing Development Request for Qualifications (the “**RFQ**”) to develop, own, and operate mixed-use affordable family rental housing including units set-aside for households, at Mission Bay South Block 4 East on a parcel identified as Block 8711, Lot 029 of that certain Final Map Tract No. 3936 (approved by San Francisco Public Works Order No. 175889), which is an approximately 45,655 square-foot rectangular site bounded by Mission Rock Street to the north, 3rd Street to the east, China Basin Street to the south, and an existing development to the west (the “**Site**”). The OPA identifies the Site as an Agency Affordable Housing Parcel. The RFQ established a preliminary program of up to 165 affordable family rental housing units based on the remaining balance of affordable units authorized under the OPA. However, the RFQ noted that OCII may pursue, subject to requisite approvals, additional units in one or more buildings on the Site.

6. An evaluation panel comprised of OCII staff, City staff, and a member of the Mission Bay Citizens Advisory Committee reviewed submittals in response to the RFQ and recommended the Developer. The Developer’s qualifications submittal was responsive to the RFQ, particularly as relates to the Developer’s overall vision for the Site and demonstrated experience in developing high-quality affordable housing and a commitment to providing meaningful opportunities for people of color in the development process and in the housing. On May 21, 2024, OCII staff provided the Commission an informational memorandum on the evaluation panel’s recommendation.

7. The Developer’s RFQ submittal envisioned an increase to the number of units on the Site, with development in two phases of mixed-use mid- to high-rise buildings. This approach would maximize housing opportunities, while pursuing development in separately financed projects, each of a feasible size and scale appropriate to secure anticipated affordable housing funding sources including tax-exempt bonds and Low-Income Housing Tax Credits. Based on preliminary massing studies and financial analysis, the Developer seeks to pursue, in two separate phases, a total of approximately 400 units on the Site.

8. A building on the southern portion of the Site (as shown in Exhibit A, the “**Phase I Site**”) will provide approximately 165 units of rental housing serving low-income families and families experiencing homelessness, as well as community-serving ground floor commercial space, resident amenities, and related improvements (the “**Phase I Project**”). With the exception of two unrestricted manager’s units, all units in the Phase I Project will be restricted for affordability to households earning between 30% and 80% of the Area Median Income (“**AMI**”) as established by the Mayor’s Office of Housing and Community Development (“**MOHCD**”) and a subset of units may be restricted up to 95% MOHCD AMI dependent on final financial sources. Affordable units will be comprised of approximately 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units.

9. A second phase of development may include a building on the northern portion of the Site (as shown in Exhibit A, the “**Phase II Site**”) that would provide approximately 235 units

of rental housing serving low-income families and households experiencing homelessness, resident amenities, and related improvements (the “**Phase II Project**,” and together with the Phase I Project, the “**Project**”). With the exception of two unrestricted manager’s units, all units in the Phase II Project will be restricted for affordability to households earning between 30% and 80% MOHCD AMI and a subset of units may be restricted up to 95% MOHCD AMI dependent on final financial sources. Affordable units will be comprised of approximately 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units with the potential inclusion of four-bedroom units and five-bedroom units.

10. On September 3, 2024, the Commission adopted Resolution No. XX-2024 authorizing the Executive Director to execute this ENA to pursue predevelopment activities on the Site. The ENA establishes a series of predevelopment milestones that, if completed, may culminate in the execution of two separate options to ground lease, and two separate long-term ground lease agreements for: a) the Phase I Site and, b) the Phase II Site, each subject to a public hearing and consideration by the Commission.

11. On September 3, 2024 the Commission adopted Resolution No. XX-2024 authorizing the Executive Director to execute an agreement to extend a Phase I and Partial Phase II Site Predevelopment Loan Agreement to the Developer in an initial amount of Five Million One Hundred Eleven Thousand Seven Hundred Thirty One and No/100 Dollars (\$5,111,731.00) to fund certain costs related to studies and conceptual design of the Site, as well as certain predevelopment costs for the Project.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, OCII and the Developer agree as follows:

1. Exclusive Right.

For the Exclusive Negotiations Period set forth in Section 2 below, and subject to the terms and conditions of this ENA, OCII grants to the Developer the exclusive right (the “**Exclusive Right**”) to pursue planning, design, and predevelopment activities for the construction and management of the Site in accordance with the OCII Documents (as defined in the Phase I and Partial Phase II Site Predevelopment Loan Agreement), and to negotiate ground leases for the development and operation of the Site, respectively, sufficient to establish “site control” for a project meeting the requirements of potential project lenders and the California Tax Credit Allocation Committee (“**Ground Lease**,” or “**Ground Leases**”). Acknowledging that time is of the essence, OCII and the Developer agree to negotiate diligently and in good faith with each other concerning the subject of this Exclusive Right, and OCII agrees not to solicit any other proposals or negotiate with any other developer with respect to the subject of the negotiations set forth herein.

The Developer and OCII acknowledge and agree that, under this ENA, OCII is not committing itself or agreeing to: (a) enter into any Ground Lease or undertake any exchange or transfer of real property, any disposition of any real property interests to the Developer, (b) approve any land use entitlements, or (c) undertake any other acts or activities relating to the subsequent independent exercise of discretion by the Commission, OCII or any agency, commission or department of the City. This ENA does not constitute the disposition of property

or the transfer of OCII's or the City's exercise of control over the Site. However, should certain conditions be met, as described below in Section 5, this ENA allows OCII's Executive Director, in his sole discretion, to enter into Options to Ground Lease, in the form attached hereto as Attachment 4, for the Site.

2. Term.

(a) The term of the ENA shall be from September 3, 2024 until September 3, 2027 ("**Initial Term**"), unless extended or earlier terminated pursuant to the provisions herein (the Initial Term as modified by any extension or early termination is the "**Exclusive Negotiations Period**").

(b) If not otherwise terminated in accordance with its terms, this ENA shall terminate for the Phase I Site when OCII has executed a Ground Lease for the Phase I Site, as approved by the Commission, and for the Phase II Site when OCII has executed a Ground Lease for the Phase II Site.

(c) The Initial Term may be extended without further Commission action for any period up to a total of an additional 12 months beyond the Initial Term for the purpose of completing predevelopment activities related to the Phase I Project, if approved in writing by OCII's Executive Director in their sole and absolute discretion and subject to such terms and conditions as they deem reasonable in exchange for granting such extension. The Initial Term may be extended by up to a total of an additional 24 months for the purpose of completing predevelopment activities related to the Phase II site, if approved in writing by OCII's Executive Director in their sole and absolute discretion and subject to such terms and conditions as they deem reasonable in exchange for granting such extension. Such exercise of discretion by OCII to extend the Term of the ENA, shall not operate to automatically extend other performance benchmarks in the ENA. In addition, in the event that the Developer applies for CDLAC and/or TCAC financing in accordance with the contractual deadlines provided in the Phase I and Partial Phase II Site Predevelopment Loan Agreement and is not awarded financing by CDLAC and/or TCAC, the OCII Executive Director, in his sole and reasonable discretion, may extend the deadline established in the Schedule of Performance for entering into a Ground Lease to allow the Developer to reapply for up to two consecutive additional cycles of CDLAC/TCAC financing immediately following the cycle initially applied for.

(d) The parties acknowledge that the extension of this ENA beyond the expiration date of the Redevelopment Plan (and the approval of the development of the Project) may require various other approvals, including, but not limited to, amendments to the Redevelopment Plan and the Mission Bay South Owner Participation Agreement, and that these approvals are subject to the independent exercise of discretion by the bodies having decision-making authority.

3. Negotiation Deposits; OCII/City Costs.

3.1 Negotiation Deposits.

(a) In connection with its selection by the Commission as the Developer of the Site, the Developer has paid to OCII the cash sum of One Thousand Dollars (\$1,000) as an earnest money deposit (the "**Deposit**"). The Developer will pay to OCII an additional sum of Nine Thousand Dollars (\$9,000) in cash (the "**Additional Deposit**") at the time it executes the ENA. The Additional Deposit shall be combined with the Deposit to form the performance deposit

("Performance Deposit"). Except as provided in Sections 3.1(b) and 3.1(c), the Performance Deposit shall be held by OCII until completion of construction of the Site.

(b) Subject to Section 8.4 below, if the parties fail to reach agreement on the Ground Leases despite the Developer's good faith negotiations or if the Ground Leases are not approved by the Commission, executed and delivered as contemplated hereby for any reason outside of the Developer's control, and, in either instance, the Developer is not in default under this ENA or the Phase I and Partial Phase II Site Predevelopment Loan Agreement and Developer has been paid less than 10% of the Developer Fee (as defined in the Phase I and Partial Phase II Site Predevelopment Loan Agreement), then upon termination of this ENA, OCII shall within 30 days return the Performance Deposit (together with interest actually accrued thereon) to the Developer.

(c) OCII shall retain the Performance Deposit, together with any and all accrued interest, if any of the following events occurs: (i) the Developer is in default under the terms of the ENA, and has not cured such default within the period allowed and OCII, in its sole discretion, has not expressly waived such default in writing, and the ENA is terminated; or (ii) the parties fail to reach agreement because in OCII's reasonable judgment the Developer is not making a good faith effort to negotiate and fulfill its obligations under this ENA, or if the Ground Leases are not approved, executed and delivered as contemplated hereby for a reason reasonably determined by OCII to be within the Developer's control.

4. Intentionally Omitted

5. Obligations of the Developer.

5.1 Schedule of Performance; Scope of Development.

The Developer agrees to work cooperatively to coordinate pre-development activities as required by this Agreement. The Developer shall diligently and in good faith negotiate the Ground Leases and related actions under this ENA based on the development opportunity described in the RFQ, the Schedule of Performance attached as Attachment 2 hereto, and the Scope of Development attached as Attachment 3 hereto. The Developer shall diligently pursue completion of milestones under the Schedule of Performance and additional benchmarks, if any, under this ENA in a timely fashion, and shall make all design submittals in accordance with the DRDAP. The Schedule of Performance may be modified at the request of the Developer, subject to the approval of OCII in its sole discretion, so long as the modification does not exceed the applicable Exclusive Negotiations Period.

5.2 Other Obligations of Developer.

(a) The Developer shall be required under this ENA to comply with applicable law and policies, including the requirements of all applicable City and OCII ordinances, resolutions, regulations, tor other regulatory approvals with respect to the planning, design, and approvals necessary for developing the Site. These requirements include, without limitation, OCII's Small Business Enterprise Program (including, but not limited to, the selection of consultants during the pre-development period), and Prevailing Wages Provisions, Minimum Compensation Policy, and Health Care Accountability Policy.

(b) In addition, the Developer shall comply with the applicable terms of the Plan Documents (as defined in the Mission Bay South Redevelopment Plan), including but not limited to the OPA, Design for Development, and the DRDAP and any amendments thereto, except as

mutually agreed upon in furtherance of 5.2(f) below. At the request of OCII and/or the City and at the Developer's sole expense, which funds may come from those provided under the Phase I and Partial Phase II Site Predevelopment Loan Agreement, the Developer shall prepare (or cause expert consultants approved by OCII to prepare) and submit all reports, studies or other information reasonably necessary to obtain regulatory approvals, excluding privileged attorney-client communications.

(c) The Developer shall commit sufficient financial and personnel resources required to undertake and complete the development of the Site as a priority project and to fulfill the Developer's obligations under this ENA in an expeditious fashion.

(d) In making any entry onto the Site, neither the Developer nor any of its agents, contractors or representatives shall interfere with or obstruct the permitted, lawful use of the Site by its tenants or occupants, if any, or the conduct of their business operations thereon, except as otherwise provided in the Phase I and Partial Phase II Site Predevelopment Loan Agreement.

(e) The Developer shall conduct predevelopment activities in accordance with the requirements of this Agreement and shall cause the architect and design consultants to prepare submittals that demonstrate a cohesive design for the Site, particularly for the ground floor.

(f) The Developer will work with OCII in exploring approaches to increasing the building height, bulk limits, and affordable housing entitlement on the Site for purposes of providing additional affordable housing units.

5.3 Indemnity.

5.3.1 To the fullest extent permitted by law, the Developer shall jointly and severally hold harmless, defend at its own expense, and indemnify OCII and the Commission, the City, and their respective commissioners, officers, agents and employees (individually or collectively, an "**Indemnified Party**") against any and all losses, of every kind, nature and description directly or indirectly arising out of, or connected with Developer's obligations under this ENA, except to the extent caused by the willful misconduct or the gross negligence of the Indemnified Party. For purposes of this Section, losses will include, but not be limited to: (a) any default by the Developer in the observance or performance of any of the Developer's obligations under the ENA (including, without limitation, those obligations set forth in Section 5.2 above), (b) any failure of any representation by the 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 or in connection with the Developer's activities pursuant to this ENA, caused by the negligence or any other act or omission of the Developer and their officers, agents and employees, (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnified Party that relates to or arises out of the Developer's performance under the ENA or the development of the Site by the Developer, or any transaction contemplated by, or the relationship between the Developer and OCII under the ENA, (e) any failure of the Developer or its agents or contractors to comply with all applicable environmental requirements relating to the development of the Site, or (f) 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, which 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 (e) above, with the exception of any environmental contamination or violations of any applicable environmental requirements occurring prior to the

date of this ENA, provided that no Indemnified Party shall be entitled to indemnification under this Section for matters caused solely by such Indemnified Party's gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnified Party by reason of a claim arising out of any loss for which the Developer has indemnified the Indemnified Party, and upon written notice from such Indemnified Party, the Developer shall at its sole expense answer and otherwise defend such action or proceeding using counsel approved in writing by the Indemnified Party. The Indemnified Party shall 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 Indemnified Party in connection with the matters covered by this ENA.

5.3.2 The Developer shall further indemnify the Indemnified Party against any losses directly or indirectly resulting from release, spill or escape of Hazardous Materials (as defined below) on or about the Site caused by the Developer or its agents, contractors or representatives from and after the date of this ENA; except for losses resulting from the gross negligence or willful misconduct of any of the Indemnified Parties. For purposes hereof, "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 *et seq.*) or under Section 25281 or 25316 of the California Health & Safety Code; any "hazardous waste" as defined in Section 25117 or listed under Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Site, or are naturally occurring substances on, in or about the Site; and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

5.3.3 The indemnity shall include, without limitation, the Developer's obligation to pay reasonable Attorney's Fees and Costs (as defined in Section 11.7) and fees of consultants and experts, laboratory costs, and related costs, as well as the Indemnified Party's costs of investigating any loss. The provisions of this Section 5.3 shall survive the termination of this ENA.

5.4 Insurance.

Subject to approval by OCII of the insurers and policy forms, Developer must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in Attachment 5 throughout the term of this ENA at no expense to OCII.

5.5 Force Majeure

The occurrence of any of the following events shall excuse performance of such obligations of Developer as are rendered impossible to perform while such event continues: acts of god; pandemic, strikes; lockouts; labor disputes; inability to obtain labor, materials or reasonable substitutes therefor; governmental restrictions (including changes in law), regulations or controls; judicial orders; enemy or hostile governmental actions; civil commotions; fire or other casualty; and other causes beyond the control of the Developer. The occurrence of such events shall excuse performance only if the Developer has provided written notice to OCII

within thirty (30) days after the occurrence or commencement of the event of force majeure and such excuse shall terminate thirty (30) days after the termination of the event giving rise to the delay. However, under no circumstances shall this force majeure provision apply to Developer's indemnification and defense obligations under Section 5.3 and/or Developer's insurance obligations under Section 5.4 above.

6. Obligations of OCII.

Subject to the provisions of Section 8, OCII agrees as follows:

- (a) Subject to environmental review under the California Environmental Quality Act ("CEQA") and the National Environmental Protection Act ("NEPA"), as applicable, the public review process and all required governmental approvals, as further provided in this ENA, OCII shall use good faith efforts to diligently negotiate, prepare and submit for approval the Ground Leases.
- (b) OCII shall make available all public record studies and other documents in its possession as necessary to perform the Developer's due diligence investigations of the Site, provided that OCII makes no representations or warranties whatsoever regarding the completeness or accuracy of such information and the Developer must perform its own independent analysis.
- (c) OCII shall reasonably cooperate with the Developer in obtaining access to the Site from the Master Developer for the purpose of performing tests, surveys and inspections, and obtaining data necessary or appropriate to negotiate the Ground Leases provided, however, the Developer shall give prior written notice to OCII of any such entry. OCII shall provide the Developer with the same rights of access to the Site that OCII may have from time to time during the Exclusive Negotiations Period, subject to all applicable laws and regulations.
- (d) OCII shall reasonably cooperate with the Developer in the provision of information necessary for and assistance in the filing, processing and obtaining of land use entitlements and regulatory approvals, and, to the extent required by law, join with the Developer as a co-applicant in the filing for such approvals, but neither OCII nor the City shall be required to satisfy any conditions for any approval, except as may be specifically agreed to by OCII, or the City, as applicable.
- (e) OCII shall, in its reasonable discretion, enter into separate Options to Ground Lease to demonstrate control of the Site as provided in this ENA, and generally in the form attached hereto as Attachment 4, if the Developer is in conformance with the obligations described in Section 5 and if such Option is necessary to secure financing for the Phase I Project and/or the Phase II Site.

7. Non-Assignment.

OCII and the Developer acknowledge and agree that OCII is entering into this ENA and granting the Exclusive Right to the Developer on the basis of the particular experience, financial capacity, skills and capabilities of the Developer and its members. The Exclusive Right is

personal to the Developer, is not assignable, and the Developer shall not assign or transfer this ENA, except by the prior written consent of OCII's Executive Director, which may be given, withheld or conditioned in his sole discretion. For purposes of this Section, an assignment shall also include any dissolution, merger, consolidation or other reorganization, or any issuance, sale, assignment, hypothecation, or other transfer of legal or beneficial interests in the Developer. Any transfer or assignment without the OCII Executive Director's prior written consent will be voidable and, at the election of OCII's Executive Director, constitute an Event of Default under this ENA. OCII's consent to any specific assignment or transfer will not constitute its consent to any subsequent transfer or a waiver of any of OCII's rights under this ENA.

8. Default and Remedies.

8.1 Events of Default by the Developer.

The occurrence of any of the following shall constitute an event of default, after OCII gives notice of the default specifying in reasonable detail the basis for the determination of the default:

- (a) Failure to pay any sums due under this ENA within thirty (30) days after written notice by OCII.
- (b) Failure to perform or abide by any material provision of this ENA, including a performance milestone contained in the ENA Schedule of Performance, as it may be extended.
- (c) Any material breach of any representation and warranty made by the Developer under Section 9 or any other provision of this ENA.
- (d) Any action in violation of Section 7, which shall be, at OCII's election, an immediate Event of Default notwithstanding the provisions of Section 8.2(a), below.
- (e) Any filing of a petition to have the Developer or any affiliate of Developer adjudicated insolvent and unable to pay its debts as they mature or a petition for reorganization liquidation or arrangement under any bankruptcy or insolvency law, or any assignment for the benefit of creditors, or seeking appointment of a trustee, receiver, liquidator of the Developer or any substantial part of the Developer's assets, if such petition is not dismissed within sixty (60) days.
- (f) The debarment or prohibition of the Developer from doing business with any federal, state or local governmental agency, or any debarment or prohibition of any affiliate of the Developer from doing business with any federal, state or local governmental agency to the extent such debarment or prohibition of the affiliate could affect the redevelopment of the Site as contemplated hereby.
- (g) Failure to procure or maintain any of the insurance coverage required hereunder so that there is a lapse in required coverage and such breach is not cured within two (2) days.
- (h) The occurrence of an uncured event of default under the terms of the Site's Phase I and Partial Phase II Site Predevelopment Loan Agreement

and the continuation thereof beyond any and all applicable notice and cure periods.

- (i) Failure to notify OCII of any adverse change in the financial condition of the Developer that materially affects the Developer's ability to complete the development at the Site.
- (j) Developer is in default of its obligations under any other agreement entered into with OCII or the City, and the default remains uncured following the expiration of any and all applicable notice and cure periods.

8.2 Remedies of OCII.

(a) In the event of a default by the Developer, except as otherwise provided in this ENA, the Developer shall have thirty (30) days from the receipt of written notice from OCII to cure such default, or, if such default cannot reasonably be cured within such 30-day period, the Developer shall commence action to cure such failure within such 30-day period and diligently and continuously prosecute such action to completion, but in any event no longer than 90 days from the receipt of written notice from OCII to cure such default.

(b) If, after the time provided in Section 8.2(a) above, the Developer has not cured the default, OCII may exercise any or all of the following exclusive remedies available to it under this ENA: (i) terminating the ENA, (ii) retaining the Performance Deposit; and/or (iii) exercising its rights under the Work Product security described below in Section 8.2 (c). If OCII chooses to terminate the ENA, OCII shall provide written notice to the Developer of such termination, the ENA shall be terminated as of the date of the notice, and neither party shall have any rights against or liability to the other, except those provisions that are specified to survive such termination shall remain in full force and effect.

(c) Plans, Specifications, Reports and Studies. If OCII terminates this ENA, the Developer shall deliver to OCII copies of any and all drawings, plans, specifications, reports, studies, memoranda, computation sheets, document lists, plans and all including contents of any electronic files, prepared by or on behalf of the Developer in connection with this ENA (the "**Work Product**"). The Developer shall deliver the Work Product within ten (10) days after written demand from OCII, which obligation shall survive the termination of this ENA. OCII may use the Work Product for any purpose relating to the Site, provided that OCII shall release the Developer and the Developer's contractors, architects, engineers and other consultants from any losses arising out of the OCII's use of such documents except to the extent that OCII retains any of them and they agree to such continued liability. The Developer and OCII acknowledge that the Work Product also serves as security pursuant to the Phase I and Partial Phase II Site Predevelopment Loan Agreement and that the provisions of Sections 3.2 and 24.21 of the Phase I and Partial Phase II Site Predevelopment Loan Agreement shall govern the assignment of the Work Product to OCII.

8.3 Termination and Developer's Risk.

8.3.1. Generally.

The Developer acknowledges and agrees that, except as otherwise provided under the Phase I and Partial Phase II Site Predevelopment Loan Agreement, it is proceeding at its own risk and expense until such time as the respective Ground Leases are approved and without any assurance that the Ground Leases will be approved.

8.4 Damages.

The parties have agreed that OCII’s actual damages in the event of a failure to approve, execute and deliver one or both of the Ground Leases due to a default by the Developer would be extremely difficult or impracticable to determine. After negotiation, the parties have agreed that, considering all the circumstances existing on the date of this ENA, the amount of the Performance Deposit together with all accrued interest thereon, as herein provided, is a reasonable estimate of the damages that OCII would incur in such event.

IF THE PARTIES DO NOT REACH AGREEMENT ON ONE OR BOTH OF THE GROUND LEASES OR ONE OR BOTH OF THE GROUND LEASES ARE NOT APPROVED, EXECUTED AND DELIVERED AS CONTEMPLATED HEREBY DUE, IN EITHER INSTANCE, TO ANY DEFAULT BY THE DEVELOPER UNDER THIS ENA BEYOND THE APPLICABLE CURE PERIOD, THEN, WITHOUT LIMITING ANY OF ITS OTHER REMEDIES HEREUNDER, AT LAW OR IN EQUITY, OCII SHALL BE ENTITLED TO RETAIN THE PERFORMANCE DEPOSIT, TOGETHER WITH ALL ACCRUED INTEREST THEREON, AS HEREIN PROVIDED, AS LIQUIDATED DAMAGES. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS ENA WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: OCII ____ Developer ____

9. Representations and Warranties of the Developer.

9.1 Representations and Warranties.

The Developer represents, warrants and covenants as follows:

- (a) Valid Existence; Good Standing. Developer is a California limited partnership duly organized and validly existing under the laws of the State of California, and has all requisite power and authority to own its property and conduct its business as presently conducted, and have has made all filings and is in good standing in the jurisdiction of the State of California.
- (b) Authority. The Developer has all requisite power and authority to execute and deliver this ENA and the agreements contemplated by this ENA and to carry out and perform all of the terms and covenants of this ENA.
- (c) No Limitation on Ability to Perform. Neither the Developer's partnership agreement nor any other agreement or law in any way prohibit, limit or otherwise affect the right or power of the Developer to enter into and perform all of the terms and covenants of this ENA. The Developer is not party to, or bound by, any contract, agreement, indenture, trust agreement, note, obligation or other instrument, which could prohibit, limit or otherwise affect the same. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person or entity is required for the due execution, delivery and performance by the Developer of this ENA or any of the terms and

covenants contained in this ENA. There are no pending or threatened suits or proceedings or undischarged judgments affecting the Developer before any court, governmental agency, or arbitrator which might materially adversely affect the enforceability of this ENA, the ability of the Developer to perform the transactions contemplated by this ENA or the business, operations, assets or condition of the applicable Developer.

(d) Valid Execution. The execution and delivery of this ENA and the agreements contemplated hereby by the Developer has been duly and validly authorized by all necessary actions. This ENA will be a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms. The Developer will provide to OCII a written resolution of the Developer authorizing the execution of this ENA and the agreements contemplated by this ENA.

(e) Defaults. The execution, delivery and performance of this ENA do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under (A) any agreement, document or instrument to which the Developer may be bound or affected, (B) any law, statute, ordinance, regulation, or (C) the partnership agreement of the Developer.

(f) Meeting Financial Obligations; Material Adverse Change. The Developer is meeting its current liabilities as they mature; no federal or state tax liens have been filed against it; and the Developer is not in default or claimed default under any agreement for borrowed money. The Developer shall immediately notify OCII of any material adverse change in the financial condition of the Developer that affects the Developer's ability to complete the development of the Site and such material adverse change shall constitute a default under this ENA, subject to the cure and remedy provisions of Section 8.

(g) Conflicts of Interest. The Developer is familiar with conflict of interest requirements and contribution limits, including (i) Section 87100 *et seq.* of the California Government Code, which provides that no member, official or employee of OCII, may have any personal interest, direct or indirect, in this ENA nor shall any such member, official or employee participate in any decision relating to this ENA which affects her or his personal interest or the interests of any corporation, partnership or association in which she or he is interested directly or indirectly and (ii) OCII's Personnel Policy, which prohibits former OCII employees and consultants from working on behalf of another party on a matter in which they have participated personally and substantially as an OCII employee or consultant unless OCII consents to such scope of work; and (iii) section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with OCII for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. 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 \$50,000 or more. Developer further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of the Developer's board of directors; the 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 the

Developer; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by the Developer. Additionally, Developer acknowledges that the Developer must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126. As to the provisions referred to in clauses (i) and (iii), the Developer does not know of any facts that constitute a violation of such provisions. As to the policy in clause (ii), the Developer has disclosed to OCII in writing any and all personnel or consultants covered by such policy as of the date of this ENA, and concurrently herewith the Commission has elected to waive or not to waive the conflict as to such specific personnel or consultants.

(h) Skill and Capacity. The Developer has the skill, resources and financial capacity to acquire, manage and fully redevelop the Site consistent with the development opportunity described in the RFQ.

(i) Consultants. As of the date of this ENA, the Developer has retained the following consultants in connection with the proposed redevelopment of the Site: Y.A. Studio (planning and architecture), The John Stewart Company (property management), and Davis & Associates Communications, Inc (workforce and contracting). The Developer shall promptly notify OCII of the termination of any consultant previously approved by OCII, and the Developer shall, to the extent required to fulfill its obligations under this ENA, replace such consultant with a new consultant reasonably approved by OCII. In addition, the Developer shall promptly notify OCII of the addition of any new consultant associated with the Site. Nothing herein shall limit the provisions of subsection (g) above regarding conflicts of interest.

(j) Not Prohibited from Doing Business. Neither the Developer nor any affiliates of any of the foregoing have been debarred or otherwise prohibited from doing business with any local, state or federal governmental agency.

(k) Business Licenses. The Developer has obtained all licenses required to conduct business in the City and is not in default of any fees or taxes due to the City.

(l) No Claims. The Developer does not have any claim, and shall not make any claim, against OCII and the City, or either of them, or against the Site, or any present or future interest of OCII or the City therein, directly or indirectly, by reason of: any aspect of the RFQ or the developer selection process; any statements, representations, acts or omissions made by OCII's and/or City's respective officers, commissioners, employees or agents with regard to the Site or any aspect of the negotiations under this ENA; and OCII's exercise of discretion, decision and judgment in conformance with this ENA.

9.2 Continued Accuracy.

If at any time during the Exclusive Negotiations Period any event or circumstance occurs that would render materially inaccurate or misleading any of the foregoing representations or warranties, the Developer shall immediately notify OCII thereof. It will be an event of default without the requirement of OCII notice specified in Section 8.1, above, if the Developer does not cure such inaccuracy within ten (10) days from the date on which the Developer was obligated to notify OCII and OCII shall have the rights and remedies provided in this ENA, at equity and in law.

9.3 Survival.

The representations and warranties in this Section 9 shall survive any termination of this ENA.

10. Notices.

A notice or communication under this ENA by either party to the other shall be sufficiently given or delivered if made in writing and communicated by personal delivery, electronic mail (if followed within one (1) business day by first class mail), by nationally recognized courier that obtains receipts, or by United States certified mail, postage prepaid, return receipt requested. Any notice sent by electronic mail will be accompanied by a written notice and email notices will not be effective unless accompanied by a written notice. 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:

- (i) In the case of a notice or communication to OCII:
Office of Community Investment and Infrastructure
Successor Agency to the San Francisco Redevelopment Agency
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Executive Director
Email: Thor.Kaslofsky@sfgov.org
Office of Community Investment and Infrastructure
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: General Counsel
Email: James.Morales@sfgov.org

- (ii) And in the case of a notice or communication sent to the Developer:
Mission Bay 4 East Associates, L.P.
c/o Curtis Development
10 Linares Avenue
San Francisco, CA 94116
Attn: Charmaine Curtis
Email: charmaine@curtis-development.com

With a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Ste. 1110
San Francisco, CA 94104
Attn: Evan Gross
Email: egross@gubbandbarshay.com

For the convenience of the parties, copies of notice may also be given by email.

Every notice given to a party hereto, pursuant to the terms of this ENA, must state (or must be accompanied by a cover letter that states) substantially the following:

- (a) the Section of this ENA pursuant to which the notice is given and the action or response required, if any;
- (b) if applicable, the period of time within which the recipient of the notice must respond thereto;
- (c) if approval is being requested, shall be clearly marked “Request for Approval under the Mission Bay South Redevelopment Project Area, Mission Bay South Block 4 East , Exclusive Negotiations Agreement;” and
- (d) if a notice of disapproval or an objection, which requires reasonableness, shall specify with particularity the reasons therefor.

Any mailing address or email address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this ENA shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

11. General Provisions.

11.1 Amendments.

This ENA may be amended or modified only by a written instrument executed by OCII and the Developer.

11.2 Severability.

If any provision of this ENA, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this ENA or the application of such provision to any other person or circumstance, and the remaining portions of this ENA shall continue in full force and effect, unless enforcement of this ENA as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this ENA. Without limiting the foregoing, in the event that any applicable federal or state law prevents or precludes compliance with any material term of this ENA, the parties shall promptly modify, amend or suspend this ENA, or any portion of this ENA, to the extent necessary to comply with such provisions in a manner which preserves to the greatest extent possible the benefits to each of the parties to this ENA and to the Developer before such conflict with federal or state law. However, if such amendment, modification or suspension would deprive OCII or the Developer of the substantial benefits derived from this ENA or make performance unreasonably difficult or expensive, then the affected party may terminate this ENA upon written notice to the other party. In the event of such termination, neither party shall have any further rights nor obligations under this ENA except as otherwise provided herein.

11.3 Non-Waiver.

No waiver made by either party with respect to the performance, or manner or time of performance, or any obligation of the other party or any condition to its own obligation under this ENA will be considered a waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived to the extent of such waiver, or

a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

11.4 Non-Liability.

No member, official, agent or employee of OCII or the City will be personally liable to the Developer, or any successor in interest (if and to the extent permitted under this ENA), in an event of default by OCII or for any amount that may become due to the Developer or successor or on any obligations under the terms of this ENA. No director, officer, agent or employee or affiliate of the Developer or Developer's affiliates will be personally liable to OCII in an event of default by the Developer or for any amount that may become due to OCII or on any obligations under the terms of this ENA.

11.5 Successors and Assigns; Third Party Beneficiary.

This ENA shall inure to the benefit of and bind the respective successors and assigns of OCII and the Developer, subject to the limitations on assignment by the Developer set forth in Section 7 above. This ENA is for the exclusive benefit of the parties hereto and not for the benefit of any other person and shall not be deemed to have conferred any rights, express or implied, upon any other person.

11.6 Governing Law.

This ENA shall be governed by and construed in accordance with the laws of the State of California. As part of the consideration for OCII's entering into this ENA, the Developer agrees that all actions or proceedings arising directly or indirectly under this ENA may, at OCII's sole option, be litigated in courts located within the County of San Francisco, State of California, and the Developer expressly consents to the jurisdiction of any such local, state or federal court, and consents that any service of process in such action or proceeding may be made by personal service upon the Developer wherever the Developer may then be located, or by certified or registered mail directed to the Developer at the address set forth in this ENA.

11.7 Attorneys' Fees and Costs.

If either party fails to perform any of its respective obligations under this ENA or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this ENA, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default or in enforcing or establishing its rights under this ENA, including, without limitation, court costs and reasonable Attorneys' Fees and Costs (as defined below). Any such Attorneys' Fees and Costs incurred by either party in enforcing a judgment in its favor under this ENA shall be recoverable separately from and in addition to any other amount included in such judgment, and such Attorneys' Fees and Costs obligation is intended to be several from the other provisions of this ENA and to survive and not be merged into any such judgment. For purposes of this ENA, the reasonable fees of attorneys of OCII counsel shall be based on the fees regularly charged by private attorneys who have the equivalent number of years of experience in the relevant subject matter and who practice in law firms in the City.

"Attorneys' Fees and Costs" means any and all attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, attachment preparation, courier, postage, facsimile, long-distance and communications expenses, court costs

and the costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, fees and costs associated with execution upon any judgment or order, and costs on appeal.

11.8 Interpretation of Agreement.

(a) Attachments. Whenever an “Attachment” is referenced, it means an attachment to this ENA unless otherwise specifically identified. All such Attachments are incorporated herein by reference.

(b) Captions. Whenever a section, article or paragraph is referenced, it refers to this ENA unless otherwise specifically identified. The captions preceding the articles and sections of this ENA have been inserted for convenience of reference only. Such captions shall not define or limit the scope or intent of any provision of this ENA.

(c) Words of Inclusion. The use of the term “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) References. Wherever reference is made to any provision, term or matter “in this ENA,” “herein” or “hereof” or words of similar import, the reference shall be deemed to refer to any and all provisions of this ENA reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered, section or paragraph of this ENA or any specific subdivision thereof.

(e) Recitals. In the event of any conflict or inconsistency between the recitals and any of the remaining provisions of this ENA, the remaining provisions of this ENA shall prevail.

(f) No Presumption Against Drafter. This ENA has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this ENA against the party that has drafted it is not applicable and is waived. The provisions of this ENA shall be interpreted in a reasonable manner to affect the purposes of the parties and this ENA.

11.9 Entire Agreement.

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

11.10 Time for Performance.

(a) Expiration. All performance dates, including cure dates, expire at 5:00 p.m., San Francisco, California time, on the performance or cure date.

(b) Weekends and Holidays. A performance date, which falls on a Saturday, Sunday, or City holiday is deemed extended to the next working day.

(c) Days for Performance. All periods for performance specified in this ENA in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this ENA.

(d) Time of the Essence. Time is of the essence with respect to each provision of this ENA, including, without limitation, each milestone set forth in the attached Schedule of Performance.

11.11 Counterparts.

This ENA may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

11.12 Approvals and Consents.

Unless this ENA otherwise expressly provides, all actions, approvals, consents or determinations to be made by or on behalf of (i) OCII under this ENA shall be made by the OCII's Executive Director or his designee and (ii) Developer under this ENA shall be made by the Principal of the Phase I Administrative General Partner (the "**Lead Developer Representative**") or such other employee or agent of the Developer as the Developer may designate or as may be authorized to act as the Lead Developer Representative for a particular matter. Unless otherwise herein provided, whenever approval, consent or satisfaction is required of a party pursuant to this ENA, it shall not be unreasonably withheld or delayed. The reasons for disapproval shall be stated in reasonable detail in writing. Approval by the Developer or OCII to or of any act or request by the other shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests.

11.13 Real Estate Commissions.

The Developer and OCII each represent to the other that it engaged no broker, agent or finder in connection with this ENA or the transactions contemplated hereby. In the event any broker, agent or finder makes a claim, the party through whom such claim is made agrees to indemnify the other party from any Losses arising out of such claim.

11.14 Survival.

Following expiration of the Exclusive Negotiations Period, this ENA shall be deemed terminated and of no further force and effect except for any provision which, by its express terms, survives the expiration or termination of this ENA. Upon termination of this ENA (other than a termination due to a default by OCII), the Developer shall furnish copies of all Work Product to OCII as provided in Section 8.2(c).

11.15 Nondiscrimination and Small Business Enterprise Policy.

(a) There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation, disability (including HIV or AIDS status) or any basis listed in subdivision (a) or (d) of Section 12955 of the

Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code in the performance of this ENA. The Developer will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status). Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations to clients or the general public.

(b) The Developer will, in all solicitations or advertisements for employees placed by it or on its behalf, state it is an equal opportunity employer.

(c) The Developer will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this ENA so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

(d) If the Developer intends to utilize subcontractors in the provision of services under this ENA, it must consult with OCII's Contract Compliance Division and comply with OCII's Equal Opportunity Program, including but not limited to the Small Business Enterprise ("SBE") Policy.

(e) The Developer agrees not to discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, and shall comply fully with all provisions of the OCII's Nondiscrimination in Contracts Policy, adopted by Resolution No. 175-97, as such Policy may be amended from time to time.

(f) The Developer shall provide all services to the public under this Contract in facilities that are accessible to persons with disabilities as required by state and federal law.

11.16 Compliance With Minimum Compensation Policy And Health Care Accountability Policy.

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

11.17 Relationship of the Parties.

The subject of this ENA is a private development with neither party acting as the agent of the other party in any respect. None of the provisions in this ENA shall be deemed to render

OCII a partner in the Developer's business, or joint venture or member in any joint enterprise with the Developer.

11.18 Cooperation.

In connection with this ENA, the Developer and OCII shall reasonably cooperate with one another to achieve the objectives and purposes of this ENA. In so doing, the Developer and OCII shall each refrain from doing anything that would render its performance under this ENA impossible and each shall do everything that this ENA contemplates that the Party shall do to accomplish the objectives and purposes of this ENA.

(signatures begin on following page)

IN WITNESS WHEREOF, OCII and the Developer have duly executed and delivered this ENA as of the date first written above.

OCII:

OCII, as Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California:

By:

Name: Thurston Kaslofsky
Title: Executive Director

APPROVED AS TO FORM:

James B. Morales
OCII General Counsel

By:

DEVELOPER:

Mission Bay 4 East Associates, L.P.,
a California limited partnership

Bayview Hunters Point Multipurpose Senior Services, Inc.,
a California nonprofit public benefit corporation its managing general partner

By: _____
Name: Cathy Davis
Title: Executive Director

CD MB4E LLC, a California limited liability company, its administrative general partner

By: Charmaine Curtis
its sole member/manager

By: _____

Mission Bay 4 East Associates 2, L.P.,
a California limited partnership

Bayview Hunters Point Multipurpose Senior
Services, Inc.,
a California nonprofit public benefit
corporation, its managing general partner

By: _____

Name: Cathy Davis

Title: Executive Director

CD MB4E 2 LLC, a California limited
liability company, its administrative general
partner

By: Charmaine Curtis

its sole member/manager

By: _____

Authorized by OCII Resolution No. XX-2024, adopted September 3, 2024.

EXCLUSIVE NEGOTIATIONS AGREEMENT

LIST OF ATTACHMENTS

ATTACHMENT 1	Site Description
ATTACHMENT 2	ENA Schedule of Performance
ATTACHMENT 3	ENA Scope of Development
ATTACHMENT 4	Form of Option to Ground Lease
ATTACHMENT 5	Insurance Requirements

ATTACHMENT 1

Site Description

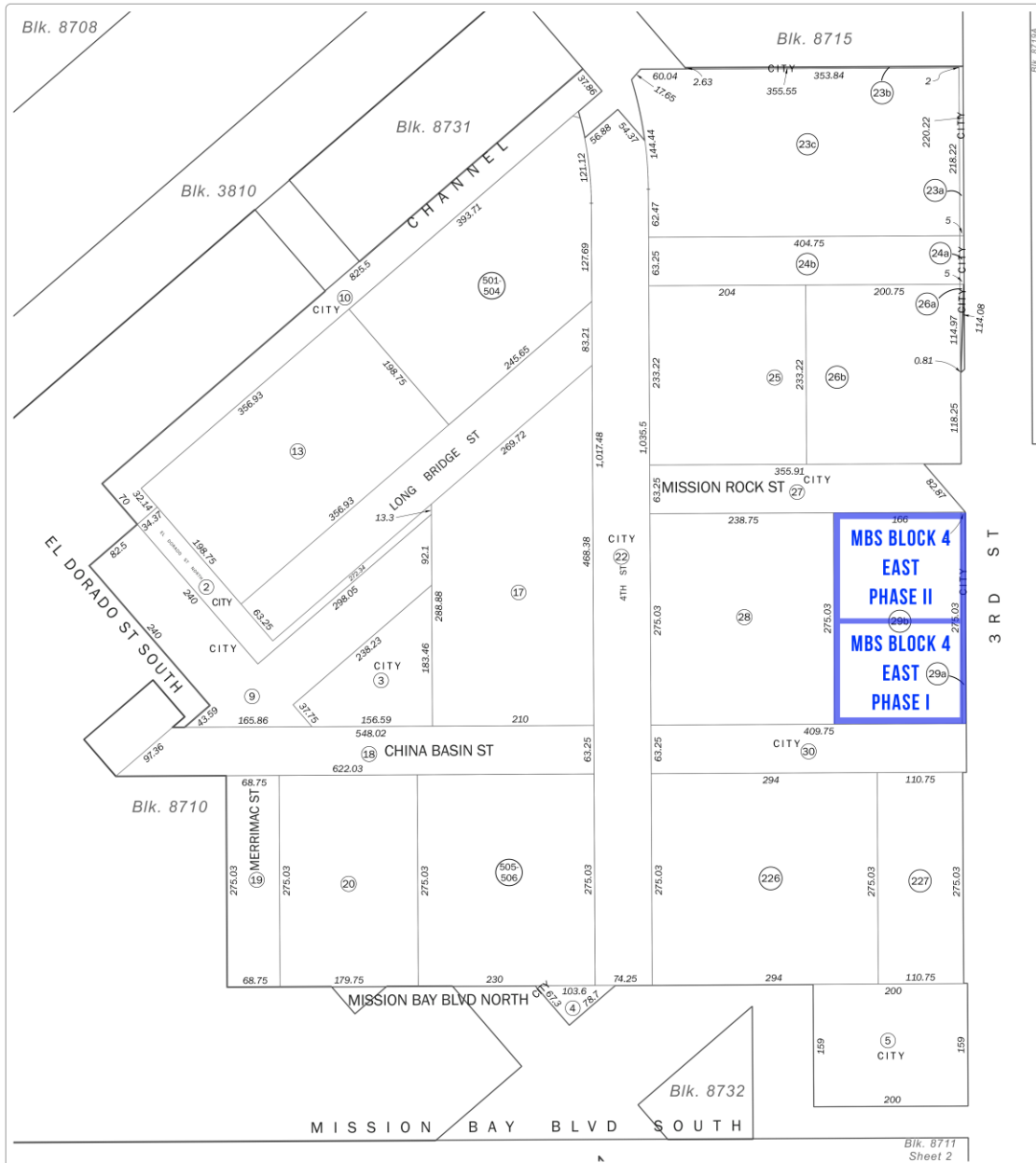
The Site is composed of the land within Mission Bay South Block 4 East, depicted in the drawing below.

Volume 44

MISSION BAY
TRACT NO. 3936

Block 8711

SHEET 1 OF 3



SAN FRANCISCO CITY & COUNTY ASSESSOR'S BLOCK MAP

DISCLAIMER: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.



REVISED 2023



ATTACHMENT 2

ENA Schedule of Performance

No.	Task	Phase I Deadline	Phase II Deadline
1.	Submit conceptual designs	April 2025	April 2025
2.	Submit schematic design drawings and cost estimates. The submission shall include the items specified in Attachment 3.	September 2025	September 2025
3.	Submit a subdivision map application.	August 2026	August 2026
4.	Submit design development documents and cost estimates. The submission shall include the items specified in Attachment 3 unless otherwise amended.	May 2026	January 2027
5.	Execution of Option to Enter into Ground Lease for CDLAC Application	January 2026	January 2026
6.	Execution of Ground Lease Agreement.	September 2027	October 2028

ATTACHMENT 3

ENA Scope of Development

The Project will include construction of approximately 165 units (with the possible addition of another 235 units) of affordable rental housing with 20% set aside for families experiencing homelessness and resident amenities, approximately 1,500 square feet of neighborhood and community-serving commercial space, and streetscape improvements including sidewalks, landscaping, and street furnishings along the Third, China Basin, and Mission Rock Street frontages.

Phase I Project (Phase I Site)

The Phase I Project will include construction of approximately 165 units of affordable rental housing, serving low-income families and families experiencing homelessness. In addition, the Phase I Project will include an approximately 1,500 square foot neighborhood and community-serving commercial space, and streetscape improvements. With the exception of two unrestricted manager's units, residential units will be affordable to households earning between 30%-80% of area median income (as defined by MOHCD). Units will be comprised of approximately 25% one-bedroom, 50% two-bedrooms, and 25% three-bedrooms. Approximate unit sizes will be:

- 550 square feet for one-bedroom/one-bathroom units;
- 850 square feet for two-bedrooms/one-bathroom units; and
- 1,100 square feet for three bedrooms/one and a half- or two-bathroom units

Residential amenities may include some or all of the following:

- A variety of open spaces with different focuses including play areas, calming garden spaces, etc.;
- Multi-functional community rooms with kitchens and flexible furniture arrangements;
- Teen hangout room;
- Homework rooms;
- Remote work room;
- Fitness room;
- Play room and outdoor play space for small children;
- Senior room;
- Media room for movie watching;
- Ample services offices;
- Multiple laundry rooms, ideally located adjacent to open spaces; and
- Generous lobby areas with package lockers.

Phase II Site

The Phase II Site may include construction of approximately 235 units of affordable rental housing, serving low-income families and families experiencing homelessness. . With the exception of two manager's units, residential units may be affordable to households earning between 30%-80% of area median income (as defined by MOHCD). Affordable units may be comprised of approximately 25% one-bedroom, 50% two-bedrooms, and 25% three-bedrooms and potentially an adjusted mix to include four-bedrooms and five-bedrooms. The manager's units may be two-bedrooms. Approximate unit sizes will be:

- 550 square feet for one-bedroom/one-bathroom units;
- 850 square feet for two-bedrooms/one-bathroom units; and

- 1,100 square feet for three-bedrooms/one and a half- or two-bathroom units
- Square footage to be determined with Basic Concept Design for four- and five-bedrooms

Residential amenities may include some or all of the following:

- A variety of open spaces with different focuses including play areas, calming garden spaces, etc.;
- Multi-functional community rooms with kitchens and flexible furniture arrangements;
- Teen hangout room;
- Homework rooms;
- Remote work room;
- Fitness room;
- Play room and outdoor play space for small children;
- Senior room;
- Media room for movie watching;
- Ample services offices;
- Multiple laundry rooms, ideally located adjacent to open spaces; and
- Generous lobby areas with package lockers.

ATTACHMENT 4

FORM OF OPTION TO GROUND LEASE AGREEMENT

OPTION TO GROUND LEASE AGREEMENT

This Option to Ground Lease Agreement (the "**Agreement**") is entered into as of this ____ day of _____, 20____ ("Effective Date"), 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 commonly referred to as the Office of Community Investment and Infrastructure (the "**Successor Agency**" or "**OCII**") and _____, ("**Optionee**") and its permitted assignees hereunder, with reference to the following facts:

RECITALS

- A. The former Redevelopment Agency and FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL" or "Owner") are the parties to that certain Mission Bay South Owner Participation Agreement dated November 16, 1998 (the "South OPA") recorded on December 3, 1998 in the Official Records of the City and County of San Francisco as Document 98-G477258. The South OPA provides for the redevelopment of certain real property owned by FOCIL which is located in the South Plan Area, which is bounded by Seventh Street, Mariposa Street, relocated Terry Francois Boulevard and China Basin Channel and containing approximately two hundred thirty-eight (238) acres of land (as more particularly described in the South OPA).
- B. Pursuant to California Health & Safety Code § 34170 et seq. (the "**Redevelopment Dissolution Law**"), the OCII, as the Successor Agency, is responsible for implementing the South OPA.
- C. Pursuant to Attachment C – Mission Bay South Housing Program, of the South OPA (the "Housing Program") approximately twenty-eight (28) acres in the South Plan Area are designated for development by FOCIL with up to three thousand (3,000) Residential Units (the "Total Units"). OCII anticipates development by Qualified Housing Developers of up to eleven hundred (1,100) affordable units (the "Affordable Housing Units"). The Affordable Housing Units will be built on up to 11.6 acres which land is to be contributed to OCII by FOCIL. FOCIL may develop up to nineteen hundred (1,900) Market Rate Residential Units as the remainder of the Total Units allowed to be developed in the South Plan Area.
- D. FOCIL is the fee owner of that certain parcel located in the City and County of San Francisco ("**City**") identified as Block _____ Lot _____ of that certain map entitled "Final Map Planned Development Mission Bay (_____)", recorded on _____ and filed on pages _____ in Book _____ of the County's Survey Maps and known as Mission Bay South Block 4 East (the "**Property**").
- E. Pursuant to the South OPA including the Housing Program, the Owner is required from time to time to designate certain property as Agency Affordable Housing parcels, and to grant to OCII an option, on specified terms and conditions, to acquire such Agency Affordable Housing Parcels for the development and construction of Affordable Housing Units.

- F. Pursuant to the Memorandum of Option dated _____ recorded on _____ in the Official Records of the City and County of San Francisco as Document _____, FOCIL has designated OCII and OCII has accepted the designation of the real property Block _____, Lot _____ more particularly described in Exhibit A attached hereto as an Agency Affordable Housing parcel, and FOCIL granted to OCII an option to acquire fee title to such property upon the terms and conditions contained in the Housing Program.
- G. The OPA requires affordable housing and market rate housing to be developed concurrently pursuant to calculations described in Section 2.6 of Attachment C – Mission Bay South Housing Program and more particularly described in Exhibit B attached hereto.
- H. The Optionee is a limited partnership comprised of its managing general partner, _____, an administrative general partner, _____, and a to-be-determined limited partner. The Optionee desires to develop the Property with approximately ___ multifamily units available to low-income families some of whom are formerly homeless, including certain ancillary uses (“**Project**”) on a to-be-subdivided portion of that certain real property more particularly described in Exhibit A hereto (“**Property**”). Optionee and OCII shall mutually agree on the final subdivision for the Property prior to the closing of the Ground Lease.
- I. OCII is the fee simple owner of the Property.
- J. The Optionee intends to develop the Project with Low Income Housing Tax Credits, tax-exempt bonds, local funds, state funds, and other sources, as necessary.
- K. In order to apply for Project financing, Optionee desires to obtain from OCII, and OCII desires to grant to Optionee, upon the specific terms and conditions set forth in this Agreement, the exclusive right and option to ground lease the Property.

Now, therefore, in consideration of recitals hereof and the mutual promises contained in this agreement, the parties agree as follows:

AGREEMENT

SECTION 1. Grant of Option. OCII grants to Optionee the option to ground lease the Property for the consideration and under the terms and conditions set forth in this Agreement (the "**Option**").

SECTION 2. Term of Option: Exercise.

a. **Term and Extension of Term.** The term of the Option shall be for a period commencing on the Effective Date and ending on 11:59 P.M. on _____, unless earlier terminated in accordance with the provisions of this Agreement (the "**Initial Term**"). So long as the Optionee is not then in default under this Agreement or any other agreements with OCII, Optionee may request up to two extensions of the Initial Term, of up to six months each, by giving written notice, accompanied by payment of One Dollar (\$1.00) (the "**Extension Payment**"), to OCII, at any time prior to the expiration of the Initial Term. Approval of the extension is subject to the sole discretion of the OCII Executive Director. Any

such approved extension shall commence on 12:01 A.M. on the day immediately following the expiration of the Initial Term and shall end no later than 11:59 P.M. on _____ for the first extension and no later than 11:59 P.M. on _____ for the second extension. The Initial Term, plus any extension, is referred to herein as the “**Term**”. During the Term, Optionee and OCII staff agree to negotiate in good faith to complete all of the terms and conditions of a ground lease of the Property from OCII to Optionee consistent with this Agreement (upon completion of such negotiations, the “**Ground Lease**”). The final terms of the Ground Lease must be agreed to by Optionee and OCII, and approved by the Commission, before Optionee’s exercise of the Option.

b. Exercise of Option. At any time following approval of the Ground Lease by the Commission and before the expiration of the Term, so long as the Optionee is not then in default under this Agreement or any other agreements with OCII, Optionee may exercise the Option by giving written notice to OCII (the “**Option Notice**”).

c. Expiration. The Agreement shall automatically expire, and be of no further force or effect, upon the first to occur of the expiration date of the Term or the effective date of the Ground Lease. If the expiration date of the Term falls on a Saturday, Sunday or legal holiday in the State of California, then the expiration date shall be extended to 11:59 P.M. on the immediately following business day. Upon termination of the Option and a written request by OCII, Optionee shall sign and deliver a quitclaim deed or such other document as may be reasonably required by OCII to evidence the termination of the Option.

SECTION 3. Option Consideration. The Option is granted in consideration of Optionee’s obligation to negotiate in good faith for the Ground Lease and for the advancement of the Phase [I/II] Project. The Option consideration is related to the Option only and in no way relates to Ground Lease payments that will be owed to OCII. In addition, concurrently with the execution of this Agreement, Optionee shall pay and deliver to OCII One Hundred Dollars (\$100.00) as separate and independent consideration (“**Independent Consideration**”) for OCII’s execution of this Agreement. The Independent Consideration is non-refundable to Optionee in the event this Agreement terminates prior to Optionee’s execution of the Option.

SECTION 4. Ground Lease of the Property. OCII staff shall prepare the initial form of ground lease substantially in the form used by OCII for projects in which OCII is the fee owner of a particular property that will be developed for affordable housing. The Ground Lease shall be in accordance with the following:

a. Term of Ground Lease. The Ground Lease shall become effective immediately following the full execution by the parties and shall end between sixty-five (65) and seventy-five (75) years from the date of construction completion of the Project (as determined by the parties during negotiation of the ground lease term), provided that the tenant shall have an option to extend the term for an additional period that, in aggregate, does not exceed a total of ninety nine (99) years, for no additional consideration (but rent shall continue during any extended term as set forth below).

b. Taxes and Assessments. The tenant shall be responsible for the payment of any and all property taxes and assessments levied against the leasehold estate and the

Property during the entire term of the Ground Lease subject to any abatement available therefrom.

c. Project Use. The Property shall be used during the term of the Ground Lease only for affordable housing, specifically the construction, operation, maintenance and repair or reconstruction of a multifamily residential development with approximately ___ units available to extremely low income and low-income households as well as certain ancillary uses. The maximum rent and income levels shall be set at no greater than 80% of area median income, defined as the area median income as determined by the United States Department of Housing and Urban Development for the San Francisco area, adjusted solely for household size, but not high housing cost area. If required by the Project's tax credit investor based on the Project's residual analysis test, and if approved by the OCII Executive Director in his or her reasonable discretion, the Ground Lease may permit increases in the maximum rent and income levels after the 55th year of the Ground Lease term, but such increases shall be limited only to the extent necessary to satisfy the tax credit investor's residual analysis test.

d. Rent. The tenant shall pay the landlord annual rent in the amount of ten percent (10%) of the land value of the Property (as determined by an MAI appraiser selected by, and at the sole cost of, the tenant, and set in the Ground Lease), consisting of \$15,000 in base rent and the remainder in residual rent. The residual rent shall be payable only to the extent proceeds are available from the Project. The annual rent shall be adjusted on the fifteenth (15th) anniversary of the expiration of the first full calendar year of the lease term, and every fifteen (15) years thereafter, and shall be equal to ten percent (10%) of then appraised value of the land as determined by a MAI appraiser selected by, and at the sole cost of, the tenant. Any such adjustment shall be made to the residual rent and not the base rent. If required by the Project's tax credit investor based on the Project's residual analysis test, and if approved by the MOHCD Director in his or her reasonable discretion, residual rent shall only be payable after full repayment of any residual-receipts loan provided by OCII.

e. Construction and Operation of the Project. The tenant shall be responsible, at its sole cost, for construction, operation, and maintenance of the Project during the Ground Lease term.

f. Title to the Property. The Ground Lease shall provide that OCII will own fee title to the land comprising the Property, and the Optionee will own fee title to all improvements constructed or otherwise located on the land, during the Ground Lease term.

g. Disposition of Improvements at End of Lease. At the end of the Ground Lease term, fee title to all the improvements shall vest in OCII without further action of any party, without any obligation by OCII to pay any compensation therefor to the tenant and without the necessity of a deed from the tenant to OCII.

h. Mortgagee Protections. The Ground Lease shall include standard mortgagee protection provisions.

i. Defaults; Right to Cure. OCII will provide any notice of any defaults under the Ground Lease to the tenant's limited partners and lenders, and allow any such parties the right to cure a default by the tenant under the Ground Lease. Pursuant to the terms of

the Ground Lease, OCII shall not be entitled to terminate the Ground Lease following any uncured default by the tenant during the fifteen (15) year tax credit compliance period for the Phase[I/II] Project, except if such default is failure to pay rent.

j. Encumbrances. The Ground Lease will permit the tenant to encumber its leasehold interest in the Property to secure any loans deemed necessary by the tenant, as approved by OCII. Any funds from a loan secured by the Property must be used in or on the Property.

SECTION 5. Closing.

a. Expenses. All expenses, fees or costs (except attorneys' fees and costs) incurred in connection with the Ground Lease of the Property, including but not limited to city and county documentary transfer tax, conveyance taxes, recording charges (if any), and costs of title insurance shall be borne by the Optionee. Each party shall bear its own attorneys' fees and costs incurred in connection with negotiation and execution of this Agreement and the Ground Lease.

b. Proration of Taxes. Real property taxes on the Property shall be prorated as of the date of closing of the Ground Lease.

c. Title Insurance. The closing of the Ground Lease shall be conditioned on the issuance to the tenant of an ALTA leasehold policy of title insurance, from a title company chosen by the tenant, insuring the tenant's leasehold interest in the Property subject only to reasonable exceptions approved by the tenant.

SECTION 6. Notices. All notices or other communications made pursuant to this Agreement shall be in writing and shall be deemed properly delivered, given or served to the parties at the following addresses when (i) mailed by certified mail, postage prepaid, return receipt requested; (ii) sent by express delivery service, charges prepaid with a delivery receipt; or (iii) personally delivered when a delivery receipt is obtained:

OCII: Office of Community Investment and Infrastructure
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Executive Director

OCII General Counsel: Office of Community Investment and Infrastructure
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: James B. Morales

Optionee: [TBD]

All notices so delivered, mailed or sent shall be deemed received as of the date shown on the delivery receipt as the date of delivery, the date delivery was refused or the date the notice was

returned as undeliverable. Either party may change its address for the purposes of this paragraph by giving prior written notice of the change to the other party in the manner provided in this Section 6. Any notice required under this Agreement that is sent by a Party shall be sent to, or contemporaneously copied to, all of the other Parties.

SECTION 7. Assignment of Option. OCII and the Developer acknowledge and agree that OCII is entering into this Agreement and granting the Option to the Optionee on the basis of the particular experience, financial capacity, skills and capabilities of the Optionee and its members. The Option is personal to the Optionee, is not assignable, and the Optionee shall not assign or transfer this Agreement, except by the prior written consent of OCII' Executive Director, which may be given, withheld or conditioned in her sole discretion.

SECTION 8. Binding Effect. This Agreement and its terms and conditions shall bind upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns.

SECTION 9. Time. Time is of the essence of this Agreement.

SECTION 10. Further Documents. Upon the reasonable request of the other party, each party will execute, acknowledge and deliver or cause to be executed, acknowledged and delivered, such further instruments and documents as may be reasonably necessary in order to carry out the intent and purpose of this Agreement, including escrow instructions.

SECTION 11. Commission. Each party to this Agreement represents to the other party that it has not engaged or used the services of any person, firm or corporation that may claim a broker's commission or finder's fee upon execution of this Agreement or the Ground Lease, and each party to this Agreement agrees to hold the other party harmless from any loss, damage, expense or liability, including attorney's fees, resulting from any claim by any person, firm or corporation based upon its having acted as broker or finder on behalf of said indemnifying party.

SECTION 12. Captions. The captions of the paragraphs of this Agreement are for convenience and reference only, and the words contained in the captions shall in no way be held to explain, modify, amplify or aid in the interpretations, constructions or meaning of the provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.

SECTION 14. Entire Agreement; Signatures. This Agreement contains the entire agreement between the parties respecting the matters set forth, and supersedes all prior agreements between the parties respecting the matters set forth.

SECTION 15. Attorneys' Fees. In any action between Optionee and OCII to enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to recover costs of suit and expenses including, without limitation, reasonable attorneys' fees.

SECTION 16. Effective Date. Notwithstanding anything to the contrary contained herein, this Agreement shall not be effective until the date on which the Commission enacts a resolution approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

(signatures begin on next page)

IN WITNESS WHEREOF, Optionee and OCII have executed this Agreement as of the date first written above.

OCII:

Office of Community Investment and Infrastructure, Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California

By: _____

Name: Thurston Kaslofsky
Title: Executive Director

APPROVED AS TO FORM:

James B. Morales
OCII General Counsel

By: _____

OPTIONEE:

[TBD]

Managing General Partner:

[TBD]

By: [TBD]

By: _____

Name: [TBD]

Title: [TBD]

Administrative General Partner:

[TBD]

By: [TBD]

By: _____

Name: [TBD]

Title: [TBD]

EXHIBIT A

Property Description

Real property in the City and County of San Francisco, State of California, described as follows:

[To be inserted]

ATTACHMENT 5

INSURANCE REQUIREMENTS

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Developer must obtain and maintain, or caused to be maintained, insurance as set forth in this Attachment 5 throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII. If and when the Developer and OCII enter into a gap loan agreement or other agreements authorizing or funding the construction of the Project, 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 Attachment 5 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)	\$1,000,000 per occurrence/ \$2,000,000 aggregate	Developer and Developer's contractors	Additional insured (see Section G)
Automobile Liability (see Section B.2)	\$1,000,000 per occurrence	Developer and 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	Developer and Developer's contractors	Waiver of subrogation
Professional Liability (see Section B.4)	\$2,000,000 per claim/ \$2,000,000 aggregate	Developer if engaged in any eligible design-related activities; and Developer's design and professional contractors	None
Crime/Dishonesty (see Section B.5)	\$1,000,000 per loss	Developer	Loss payee endorsement

B. Minimum Scope and Limits of Insurance. Developer and/or 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, Developer and Developer's Contractors will maintain coverage of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000)

annual aggregate limit. Umbrella or Excess Liability Policy may be used to meet the terms of this section. 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 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 Developer does not own any automobiles, 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. One Million Dollars (\$1,000,000) 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 Developer does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Project Sponsor(s) or the General Partner of the Partnership, in lieu of such coverage being provided by the Developer. Additionally, the Developer must provide a written statement confirming that the Developer does not have employees.
- 4) Professional Liability (Errors and Omissions) insurance, applicable to the Developer's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Developer only if the Developer or Sponsor 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 Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant. The design professional and the 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 Developer are legally liable in the absence of adequate subcontractor or consultant coverage.

- 5) Crime Policy or Fidelity Bond covering Developer and 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). 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 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 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 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 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 Developer's insurance by OCII will not relieve or decrease the liability of 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 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. 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. Developer shall require and verify that its contractors and consultants maintain the required policies as stated herein. 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 (Developer, Contractor, 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 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.

Attachment 4

LOAN AGREEMENT

By and Between

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

and

Mission Bay 4 East Associates, L.P., a California Limited Partnership

for

Mission Bay South Block 4 East Phase I and Partial Phase II Site Predevelopment Loan
\$5,111,731

Dated as of September [XX], 2024

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C	Intentionally Omitted
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E	Contract Compliance Policies
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L	Schedule of Performance
M	OCII Monthly Project Update Form
N	Developer Fee Schedule
O	Assignment of Work Product
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LOAN AGREEMENT
Mission Bay South Block 4 East
Phase I and Partial Phase II Site Predevelopment Loan
Mission Bay South Redevelopment Project Area

THIS LOAN AGREEMENT ("Agreement") is entered into as of [Month] [XX], 2024 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 and commonly known as the Office of Community Investment and Infrastructure ("**Successor Agency**" or "**OCII**"), and Mission Bay 4 East Associates, L.P., a California limited partnership (the "**Borrower**"), whose administrative general partner is CD MB4E, LLC, a California limited liability company ("**CD**"), and whose managing general partner is Bayview Hunters Point Multipurpose Senior Services, Inc., a California nonprofit public benefit corporation, hereafter referred to as Bayview Senior Services ("**BSS**"), a California nonprofit public benefit corporation and their authorized successors and assigns.

RECITALS

A. In furtherance of the objectives of the Community Redevelopment Law of the State of California (Cal. Health & Safety Code § 33000 et seq.) ("**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 a redevelopment project area known as the Mission Bay South Redevelopment Project Area (the "**Project Area**").

B. The Board of Supervisors of the City and County of San Francisco ("**Board of Supervisors**") adopted a Redevelopment Plan for the Project Area, referred to as the Mission Bay South Redevelopment Plan ("**Redevelopment Plan**"), by Ordinance No. 335-98, adopted on November 2, 1998, filed in the Office of the Recorder of the City and County of San Francisco ("**Official Records**") as Document No. 98-G470337-00, (i) a First Amendment by Ordinance No. 143-13 (July 11, 2013) as Document No. 2018-K655137-00, a Second Amendment by Ordinance No. 032-18 (March 6, 2018) as Document No. 2018-K655138-00, a Third Amendment by Ordinance No. 128-20 (July 31, 2020) as Document No. 2024040599, a Fourth Amendment by Ordinance No. 209-20 (October 9, 2020) as Document No. 2024040880, a Fifth Amendment by Ordinance No. 014-21 (February 12, 2021) as Document No. 2024041105, and as it may be amended from time to time. In cooperation with the City, the Successor Agency was responsible for implementing the Redevelopment Plan.

C. The Redevelopment Plan establishes the land use controls that Successor Agency applies in the Project Area. The Redevelopment Plan divides the Project Area into four subareas in which the Redevelopment Plan and the Design for Development for the Mission Bay South Redevelopment Project ("**D4D**") define land uses.

D. Pursuant to California Health & Safety Code § 34170 et seq. (the "Redevelopment Dissolution Law") and San Francisco Ordinance No. 215-12 (October 4, 2012)

establishing the Successor Agency Commission (the “**Commission**”) and delegating to it state authority under the Redevelopment Dissolution Law, the Successor Agency is responsible for implementing the Redevelopment Plan and fulfilling enforceable obligations under the Mission Bay South Owner Participation Agreement (the “**OPA**”) between the Successor Agency and FOCIL-MB, LLC (the “**Master Developer**”). The OPA dated November 16, 1998 was filed in the Official Records on December 3, 1998 as Document No. 98-G477258-00, a First Amendment dated February 17, 2004 as Document No. 2004H669955 (March 3, 2004), a Second Amendment dated November 1, 2005 as Document No. 4005-I080843 (November 30, 2005), a Third Amendment dated May 21, 2013 as Document No. 2013J802261 (December 9, 2013), a Fourth Amendment dated June 4, 2013 as Document No. 2013J802262 (December 9, 2013), a Fifth Amendment dated April 29, 2014 as Document No. 2014J927657 (August 15, 2014), a Sixth Amendment dated July 26, 2018 as Document No. 2018K65477200, a Seventh Amendment dated _____ as Document No. _____, an Eighth Amendment dated _____ as Document No. _____, a Ninth Amendment dated _____ as Document No. _____ and as it may be amended from time to time.

E. Under the OPA and its Mission Bay South Housing Program, the Master Developer is obligated to transfer to the Successor Agency “building ready” land that has been remediated, graded and served by infrastructure so that the Successor Agency may develop affordable housing. The OPA identifies in Exhibit F to the Mission Bay South Housing Program the specific parcels that the Successor Agency is required to develop with affordable housing. Included in this map of approved Agency Affordable Housing Parcels is the property commonly known as Mission Bay South Block 4 East on a parcel identified as Block 8711, Lot 029 of that certain Final Map Tract No. 3936 recorded on February 22, 2006 and filed on pages 54-58 in Book BB of the Official Records of the City and County of San Francisco (the “**Block 4 East Site**”).

F. 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 Section 34170 et seq. (“**Redevelopment Dissolution Law**”). Under the authority of the Redevelopment Dissolution Law and under San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (“**Commission**”) and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency is administering the enforceable obligations of the Former Agency.

G. On November 9, 2023, OCII issued a Housing Development Request for Qualifications (the “**RFQ**”) to develop, own, and operate a mixed-use affordable family rental project including units set-aside for formerly homeless households, on the Block 4 East Site.

H. An evaluation panel comprised of OCII staff, City staff, and a member of the Mission Bay Citizens Advisory Committee recommended the submission from the team led by CD and BSS to develop the Block 4 East Site. The submission of CD and BSS included, among other things, a proposal for a comprehensive design that activates the ground floor with retail and community-serving space, assessed financial feasibility, and emphasized services specific to the future resident populations. The proposal stated that CD and BSS will enter into a limited partnership to develop the Block 4 East Site, with CD being the lead developer and the point of

communication for the development team with OCII, and BSS will be the co-developer. CD will be the lead organization to develop, own, and operate the mixed-use rental housing project serving low-income families and formerly homeless families (the “**Phase I Project**” or the “**Project**”) on the southern portion of the Block 4 East Site (as shown on Exhibit A, the “**Phase I Site**”), and CD will be the lead organization in the possible development of a mixed-use rental housing project serving low-income families and formerly homeless families on the northern portion of the Block 4 East Site (the “**Phase II Site**,” and together with the Phase I Site, the “**Site**”), pending various future approvals and available OCII funding. In addition, CD’s role would include overall site coordination, and the initial lease-up and ongoing management of commercial spaces at the Site.

I. The Phase I Project will provide development of up to 165 total housing units (including 163 affordable units at affordability levels specified herein and two manager’s units), with approximately 20% of units set-aside to serve formerly homeless families, subsidized by the Local Operating Subsidy Program (“**LOSP**”), and will include resident-serving amenities, ground floor neighborhood and community-serving commercial space and related ground-level improvements. Affordable units will be provided at a range of income levels and will be comprised of approximately 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units.

J. The Phase II Site may provide development of approximately 235 total housing units (including 233 affordable units at affordability levels specified herein and two manager’s units), with approximately 20% of units set-aside to serve formerly homeless families, subsidized by the Local Operating Subsidy Program (“**LOSP**”), and may include resident-serving amenities, ground floor neighborhood and community-serving commercial space and related ground-level improvements. Affordable units may be provided at a range of income levels and will be comprised of approximately 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units with the potential inclusion of four-bedroom units and five-bedroom units.

K. On [Month] [XX], 2024, the Citywide Affordable Housing Loan Committee (the “**Loan Committee**”) reviewed OCII staff’s evaluation of the request for funding and recommended that OCII provide Borrower with a Phase I and Partial Phase II Site Predevelopment Loan for the Project, including preliminary work on the Phase II Site of funds subject to certain terms and conditions that are included in this Agreement.

L. CD and BSS have executed and provided to OCII a Limited Partnership Agreement of Borrower dated as of [Month] [XX], 2024 that defines the roles and responsibilities of the two parties in developing the Phase I Site and a Limited Partnership Agreement that defines the roles and responsibilities of the two parties in developing the Phase II Site.

M. On [Month] [XX], 2024, the Commission adopted Resolution No. XX-2024 authorizing the Executive Director to execute an exclusive negotiations agreement (“**ENA**”) with Borrower and the developer of the Project to pursue predevelopment activities for the development of the Project on the Block 4 East Site. The ENA establishes a series of predevelopment milestones that, if completed, culminate in the execution of options to ground

lease and thereafter long-term ground lease agreements (“**Ground Lease**”) for the Project, subject to a public hearing and consideration by the Commission.

N. On [Month] [XX], 2024 the Commission adopted Resolution No. XX-2024 authorizing the Executive Director to execute this Agreement to extend a loan to the Borrower in an initial amount of Five Million One Hundred Eleven Thousand Seven Hundred Thirty One Dollars and No/100 (\$5,111,731.00) (the “**Loan**”) to fund certain costs related to the Site.

O. On January 25, 2023, the Oversight Board of the City and County of San Francisco approved, by Resolution No. 02-2023, an expenditure for MBS 4E in Item No. 436 of the Recognized Obligation Payment Schedule for the period of July 1, 2023 through June 30, 2024 (“ROPS 23-24”), and, on April 14, 2023, the California Department of Finance finally approved ROPS 23-24.

P. Under Redevelopment Dissolution Law, OCII must transfer completed affordable housing assets to the Mayor’s Office of Housing and Community Development (“**MOHCD**”) as the Housing Successor designated under Board of Supervisors Resolution No. 11-12 (January 26, 2012) and Section 34176 of the California Health and Safety Code. If and when Borrower completes the Project, OCII intends to transfer the affordable housing loan agreement, asset, and Ground Lease to MOHCD.

Q. Borrower shall use the Loan to pay for Predevelopment Activities associated with the Site.

AGREEMENT

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

ARTICLE 1 DEFINITIONS.

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

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

"**Agreement**" has the meaning given in the first paragraph hereof.

"**Agreement Date**" means the date written in the first paragraph hereof.

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

"**Borrower**" has the meaning given in the first paragraph hereof.

"**CFR**" means the Code of Federal Regulations.

"**Charter Documents**" means: (a) in the case of a corporation, its articles of incorporation and bylaws; (b) in the case of a partnership, its partnership agreement and any certificate or statement of partnership; and (c) in the case of a limited liability company, its operating agreement and any LLC certificate or statement. The Charter Documents must be delivered to OCII in their original form and as amended from time to time and be accompanied by a certificate of good standing for Borrower issued by the California Secretary of State and, if Borrower is organized under the laws of a state other than California, a certificate of good standing issued by the Secretary of State of the state of organization, issued no more than ninety (90) days before the Agreement Date.

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

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

"**Construction/Permanent Loan**" has the meaning set forth in Section 3.2.

"**COP Holder**" means Certificate of Preference Holder who are participants of the Certificate of Preference Program established for persons who were displaced by Former Agency's property acquisitions and other actions implementing redevelopment plans and is a statutory preference codified in the CRL of the State of California (Cal. Health & Safety Code § 33411.3), in the Property Owner and Occupant Preference Program of the Redevelopment Agency (October 1, 2008), and in San Francisco Administrative Code § 47.3(a).

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

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

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

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

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

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

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

"Expenditure Request" means a written request by Borrower for a Disbursement from the Funding Amount, as further described in Section 4.5.

"Funding Amount" has the meaning set forth in Section 2.1.

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

"**HCD**" means the State of 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.

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

"**Loan**" has the meaning given in Recital N hereof.

"**Loan Closing**" means the date on which all conditions to closing of the loan under Section 4.3 have been met.

"**Loan Committee**" has the meaning set forth in Recital K.

"**Loss**" or "**Losses**" includes any loss, liability, claims, damages, costs, expenses or charges, including reasonable attorneys' fees and costs, arising from all acts or omissions of Borrower or its officers, agents, or employees in rendering services under this Agreement.

"**Maturity Date**" has the meaning set forth in Section 3.2.

"**Median Income**" means area median income as determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area.

"**MOHCD**" has the meaning set forth in Recital P.

"**Note**" means the promissory note executed by Borrower in favor of OCII in the original principal amount of the Funding Amount.

"**OCII**" means the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure.

"**OCII Documents**" means this Agreement, the Note, and any other documents executed or, delivered in connection with this Agreement.

"**OCII Monthly Project Update**" has the meaning set forth in Section 10.2.

"**Opinion**" means an opinion of Borrower's California legal counsel, satisfactory to OCII and its legal counsel, that Borrower is a duly formed, validly existing California limited partnership in good standing under the laws of the State of California, has the power and authority to enter into the OCII Documents and will be bound by their terms when executed and delivered, and that addresses any other matters OCII reasonably requests.

"Permitted Exceptions" means liens in favor of OCII, real property taxes and assessments that are not delinquent, and any other liens and encumbrances OCII expressly approves in writing in its escrow instructions.

"Project" means the development described in Recital H. If indicated by the context.

"Publication" means any report, article, educational material, handbook, brochure, pamphlet, press release, public service announcement, webpage, audio or visual material or other communication for public dissemination, which relates to all or any portion of the Project or is paid for in whole or in part using the Funding Amount.

"Schedule of Performance" means the schedule attached hereto as Exhibit L that sets forth Project tasks and milestones and the contractual deadlines by which they will be completed.

"Site" is defined in Recital H.

"Table" or **"Table of Sources and Uses"** means a table of sources and uses of funds attached hereto as Exhibit B-1, including a line item budget for the use of the Funding Amount, which table may not be adjusted without OCII's prior written approval.

"Tenant" means any residential household in the Project.

"Unit" means a residential rental unit within the Project.

"Work Product" has the meaning set forth in Section 24.21.

1.2 Interpretation. The following rules of construction will apply to this Agreement and the other OCII Documents.

(a) The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any language in this Agreement. References to days, months and years mean calendar days, months and years unless otherwise specified. References to a party mean the named party and its successors and assigns.

(b) Headings are for convenience only and do not define or limit any terms. References to a specific OCII Document or other document or exhibit mean the document, together with all exhibits and schedules, as supplemented, modified, amended or extended from time to time in accordance with this Agreement. References to Articles, Sections and Exhibits refer to this Agreement unless otherwise stated.

(c) Accounting terms and financial covenants will be determined, and financial information must be prepared, in compliance with GAAP as in effect on the date of performance. References to any Law, specifically or generally, will mean the Law as amended, supplemented or superseded from time to time.

(d) The terms and conditions of this Agreement and the other OCII Documents are the result of arms'-length negotiations between and among sophisticated parties who were represented by counsel, and the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not apply to the construction and interpretation of the OCII Documents. The language of this Agreement must be construed as a whole according to its fair meaning.

ARTICLE 2 FUNDING.

2.1 Funding Amount. OCII agrees to provide the Loan to Borrower in the maximum principal amount of Five Million One Hundred Eleven Thousand Seven Hundred Thirty One and No/100 Dollars (\$5,111,731.00) (the "**Funding Amount**") to finance predevelopment costs associated with the Project and the Phase II Site as further described in Exhibit B-1 ("**Predevelopment Activities**"). The Funding Amount will be disbursed according to the terms and subject to the conditions set forth in this Agreement.

2.2 Use of Funds. Borrower shall use the Funding Amount solely to finance Predevelopment Activities in accordance with the approved Table of Sources and Uses and all other applicable provisions of this Agreement. Borrower acknowledges that OCII's agreement to make the Loan is based in part on Borrower's agreement to the foregoing limitation on use of Loan funds.

2.3 Accounts; Interest. Each Account to be maintained by Borrower under this Agreement must be held in a bank or savings and loan institution acceptable to OCII as a segregated account that is insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program. With the exception of tenant security deposit trust accounts, any interest earned on funds in any Account must be used for the benefit of the Project.

2.4 Records. Borrower must maintain and provide to 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, Borrower must provide to OCII promptly following Borrower's receipt, complete copies of all monthly bank statements, together with a reconciliation, for each Account until all funds (including accrued interest) in each Account have been disbursed for eligible uses.

2.5 Conditions to Additional Financing. The OCII may grant or deny any application by Borrower for additional financing for the Project and the Phase II Site in its sole discretion.

ARTICLE 3 TERMS.

3.1 Evidence of Repayment Obligation. Borrower's repayment obligations with respect to the Funding Amount will be evidenced and governed by the Note, which will govern in the event of any conflicting provision in this Agreement.

3.2 Maturity Date. Except as otherwise provided in Section 3.3, Borrower must repay all amounts owing under the OCII Documents on the date that is the earliest to occur of: (i) the close of construction financing for the Project, or (ii) the date the Borrower and OCII execute a Construction/Permanent Loan (defined in Section 3.3) that does not incorporate the Funding Amount, or (iii) three (3) years from the Agreement Date (the "**Maturity Date**"). Notwithstanding the foregoing, (A) if Borrower's failure to close the construction financing by the Maturity Date is not caused by Borrower's acts or omissions, whether direct or indirect, and if Borrower has acted in good faith and no event has occurred and is continuing that constitutes or with the passage of time would constitute, an Event of Default under any of the OCII Documents, then in such an event, Borrower shall deliver to OCII all of the Work Product, the Note shall be deemed satisfied in full and Borrower shall be deemed to be released from all obligation or liability with respect to this Agreement and the Loan and (B) in the event that CD or OCII determines the Phase II Site cannot feasibly be developed, and such failure is not caused by Borrower's acts or omissions, whether direct or indirect, and if Borrower has acted in good faith and no event has occurred and is continuing that constitutes or with the passage of time would constitute, an Event of Default under any of the OCII Documents, then in such an event, Borrower shall deliver to OCII all of the Work Product related specifically to the Phase II Site, the Phase II Site portion of the Note shall be deemed satisfied in full, the Note shall be amended to reduce the amount by the Phase II Site portion (and associated accrued interest), and Borrower shall be deemed to be released from all obligation or liability with respect to Phase II Site portion of this Agreement and the Loan.

3.3 Construction/Permanent Loan. If (i) additional financing for the Project from OCII in the form of a construction and permanent loan is subsequently approved by the Commission (the "**Construction/Permanent Loan**"), (ii) forms of Construction/Permanent Loan documents are executed by OCII and the Borrower, and (iii) all or any portion of the Construction/Permanent Loan is funded; then (a) this Agreement shall be terminated; (b) the Note shall be cancelled, and (c) the outstanding balance of this Loan, including all accrued interest, shall be combined with the Construction/Permanent Loan for purposes of repayment and thereafter shall bear interest and be repaid in accordance with the terms of the Construction/Permanent Loan documents.

3.4 Interest. The outstanding principal balance of the Loan will bear simple interest at a rate of three percent (3%) per annum, as provided in the Note. If a Construction/Permanent Loan for the Project from OCII is subsequently approved by the Commission, the parties acknowledge that the Borrower may request and OCII may approve a reduced interest rate in order to maintain Project feasibility.

3.5 Default Interest Rate. Upon the occurrence of an Event of Default under any OCII Document, the principal balance of the Loan will bear interest at the default interest compounded annual rate equal to the lesser of: (a) ten percent (10%); or (b) the maximum

lawful rate of interest, with such default interest rate commencing as of the date an Event of Default occurs and continuing until such Event of Default is fully cured. In addition, the default interest rate will apply to any amounts to be reimbursed to the OCII under any OCII Document if not paid when due or as otherwise provided in any OCII Document.

3.6 Repayment of Principal and Interest. Subject to Section 3.2 above, the outstanding principal balance of the Loan will be due and payable on the Maturity Date according to the terms set forth in full in the Note.

3.7 Changes In Funding Streams. OCII's agreement to make the Loan on the terms set forth in this Agreement and the Note is based in part on Borrower's projected sources and uses of all activities associated with the Project, as set forth in the Table of Sources and Uses. Borrower covenants to give written notice to the OCII within thirty (30) days of any significant changes in budgeted funding or income set forth in documents previously provided to the OCII. OCII reserves the right to modify, in its reasonable discretion, the terms of this Agreement based upon any new information so provided.

3.8 Additional OCII Approvals. Borrower understands and agrees that neither entry by OCII into this Agreement nor any approvals given by OCII under this Agreement shall be deemed to imply that Borrower will be granted any required approvals from the Commission, or City departments, boards or commissions which have jurisdiction over the Site and/or the Project. By entering into this Agreement, OCII is in no way modifying or limiting the obligations of Borrower to develop the Site in accordance with all local laws. Borrower understands that any development of the Site shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Site. Notwithstanding anything to the contrary in this Agreement, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the Project, including but not limited to a party hereto, from exercising any discretion available to such department, board or commission with respect thereto, including but not limited to the discretion to (i) make such modifications deemed necessary to mitigate significant environmental impacts, (ii) select other feasible alternatives to avoid such impacts, including the "No Project" alternative; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided, or (iv) determine not to proceed with the proposed Project.

ARTICLE 4 CLOSING; DISBURSEMENTS.

4.1 Generally. Subject to the terms of this Agreement, OCII will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Borrower in accordance with this Agreement and the approved line item budget contained in the Table of Sources and Uses. The disbursement schedule may be revised at the request of the Borrower, subject to the written approval of the OCII Executive Director prior to the Loan Closing if needed to ensure the repayment of the Loan complies with applicable financing requirements.

4.2 Closing. In the event Borrower does not satisfy all of the conditions to closing the Loan within a reasonable time, as determined by the OCII in its sole discretion, OCII may declare this Agreement to be null and void.

4.3 Conditions Precedent to Closing. OCII will authorize the close of the Loan upon satisfaction of the conditions in this Section.

(a) Borrower must have delivered to OCII fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the OCII: (i) the Note; (ii) this Agreement (in triplicate); (iii) the Opinion; (iv) the Authorizing Resolutions; and (v) any other OCII Documents reasonably requested by OCII.

(b) Borrower must have delivered to OCII Borrower's Charter Documents.

(c) Borrower must have delivered to OCII insurance certificates prior to closing and endorsements within 90 days post closing and before starting work, in addition to, if requested by OCII, copies of policies for all insurance required under Exhibit F of this Agreement.

4.4 Eligible Expenses; First Date of. Predevelopment expenses that are incurred by Borrower beginning May 9, 2024 and that are consistent with Exhibit B-1 and all other applicable terms and conditions of this Agreement are reimbursable to Borrower.

4.5 Disbursements. OCII's obligation to approve any expenditure of Funding Amount after Loan Closing is subject to Borrower's satisfaction of the following conditions precedent.

(a) Borrower must have delivered to OCII an Expenditure Request in form and substance satisfactory to OCII, which must certify that the Project costs covered by the Expenditure Request have been paid or incurred by Borrower, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. Any request from Borrower to reallocate the Funding Amount between the line items or to change the budget limits for a line item from what is shown in the Table of Sources and Uses must be approved as follows: (1) except for funds moved from the contingency line item to another line item, a requested reallocation of the Funding Amount in an amount up to ten percent (10%) of the Funding Amount in the aggregate may be made only with the express written approval of OCII's Housing Manager; and (2) except for funds moved from the contingency line item to another line item, a requested reallocation of the Funding Amount in an amount that exceed ten percent (10%) of the Funding Amount may be made only with the express written approval of the OCII Executive Director. Reallocations of the Funding Amount from contingency line items to other line items shall not require the consent of OCII.

(b) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, may have occurred that remains uncured as of the date of the Expenditure Request.

(c) With respect to any Expenditure Request that covers rehabilitation or construction costs, Borrower must have certified to OCII that the Project complies with the labor standards set forth in Exhibit E, Section 1, if applicable.

4.6 Schedule of Performance. Borrower must perform in accordance with the Schedule of Performance (Exhibit L) and contractual deadlines specified therein. The Schedule of Performance may be modified, upon written request of Borrower, at the sole and reasonable discretion of the OCII Executive Director, who may extend the time of performance for up to six (6) months from the contractual date set forth in the Schedule of Performance. Such extension shall be evidenced by a written amendment thereto. Any amendments to the Schedule of Performance allowing for extensions of performance beyond said six (6) month period will require approval of the Commission in its sole discretion. Notwithstanding the foregoing, in the event the Borrower applies for CDLAC and/or TCAC financing in accordance with the contractual deadlines provided in the Schedule of Performance, but is not awarded financing by CDLAC and/or TCAC, the OCII Executive Director, in her sole and reasonable discretion, may extend the contractual deadlines applicable to items [the loan application deadlines] in the Schedule of Performance to allow Borrower to reapply for up to two additional consecutive cycles of CDLAC/TCAC financing immediately following the cycle initially applied for, and Borrower and OCII shall reasonably extend remaining Schedule of Performance contractual deadlines accordingly.

4.7 Additional Terms and Conditions. During the predevelopment period and as described below, Borrower shall comply with the following additional terms and conditions based on OCII's requirements, and/or the Loan Committee's recommendations in reviewing and approving the Project's Loan Evaluation on August 2, 2024.

(a) Finance and Accounting

- a. Borrower must maintain an accurate accounting of expenses related to each phase and for shared expenses. Sponsor will prepare and submit a reconciliation report of costs attributable to each phase for future allocation between Phase I and Phase II.
- b. Borrower will submit a written plan to secure construction and permanent financing with commitment(s) from a financial guarantor(s) or partner(s) as necessary for Phase I, prior to Phase I Schematic Design Approval, and, for Phase II, prior to Phase II Schematic Design Approval.
- c. Borrower must provide and refine operating and development budgets that meet OCII/MOHCD Underwriting Guidelines and OCII/MOHCD Commercial Space Underwriting Guidelines.

(b) Contracting and Procurement

- a. Borrower will issue an RFQ for an owner's representative and other consultants and professional services in accordance with OCII's Contract Compliance and Small Business Enterprise ("SBE") program specifications

and will submit bids and draft contracts for OCII staff review and approval prior to selecting or entering into a contract with an owner's representative or other consultants and professional services.

- b. Borrower will issue an RFQ for a general contractor in accordance with OCII's Contract Compliance specifications, will obtain cost estimates from the selected contractor, and will work with their architectural team to ensure that the site's development costs are managed to OCII's approval. Borrower will cooperate with OCII and competitively solicit a general contractor with the intent, to the extent practicable and economically feasible, of directly engaging an OCII-recognized SBE contractor or creating a joint venture or similar partnership opportunity between a general contractor and an OCII-recognized SBE contractor. Furthermore, Borrower will cooperate and require the general contractor to exercise good faith efforts to select subcontractors who either are SBEs or, if they are not SBEs, are willing to explore joint ventures or similar partnership opportunities with SBEs.
- c. Borrower must ensure that consultants and professional services budgets are in conformance with OCII/MOHCD Underwriting Guidelines.

(c) Permanent Financing

- a. Borrower must pursue alternative financing sources including but not limited to HCD permanent funding sources, such as AHSC and IIG, if directed by and in coordination with OCII to determine the most appropriate financial plan with the goal of adding alternative permanent subsidy sources and minimizing OCII subsidy.
- b. Borrower will seek to maximize permanent debt and minimize OCII subsidy, while prioritizing inclusion of income tiering, especially below 50% MOHCD AMI, as agreed upon with OCII and ensuring an adequate debt service coverage ratio consistent with OCII/MOHCD Underwriting Guidelines.
- c. Borrower must evaluate inclusion of GP Equity as both a source and use to increase tax credit basis, to the extent that a meaningful amount of GP Equity is available for this purpose.
- d. Borrower must assess the probability of receiving an award under the CalHFA-MIP program, along with its associated state tax credits, including providing scoring for these permanent financing sources relative to previous funding rounds. In addition, Borrower will evaluate potential impacts to overall schedule and identify an alternative financing plan if anticipated permanent sources are ultimately infeasible.
- e. Borrower must: a) provide for OCII review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for OCII review of all raw financial data from developer or financial consultant prior to selection; c) provide for OCII review and approval of all selected investors and lenders; and, d) provide for OCII review and approval of all Letters of Intent from financial partners.

- f. Borrower must provide OCII with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of OCII gap loans.

(d) Permanent Supportive Housing Services Plans and Budgets

- a. Borrower must provide OCII and HSH with a services plan and proposed staffing levels that meet OCII/MOHCD underwriting standards and HSH staffing guidelines prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to OCII/MOHCD and HSH at least 90 days prior to gap loan approval.
- b. Since the Project is a LOSP-project, Borrower in coordination with OCII must submit an updated 1st year operating budget and 20-year cash flow – if any changes have occurred – by November 1st before the year the project will achieve TCO so that OCII and MOHCD may request the LOSP subsidy. Any assumptions on tenant-paid rent for LOSP-supported units, and income restrictions for the referrals from the Coordinated Entry System must be submitted for review to HSH and adjusted according to HSH’s direction. All submissions will be subject to further refinement in coordination with OCII and HSH.

(e) Site Programming and Staffing

- a. Borrower must work with OCII staff on determining and maintain unit mix as stated in the RFQ of 25% one-bedroom units, 50% two-bedroom units, and 25% three-bedroom units to serve the needs and desires of COP Holders, and will explore larger four-bedroom and five-bedroom units for Phase II.
- b. Borrower will provide a detailed plan for long-term asset management prior to gap financing that includes future third-party asset management or future in-house staffing regarding portfolio description, scope and range of duties of staff, and coordination with other functional teams, including property management, accounting, compliance and facilities management.
- c. Borrower will develop design scenarios that balance unit mix, unit sizes, and financial sources including OCII subsidy, all subject to OCII review and approval.
- d. Borrower will evaluate 24/7 staffing and/or will explore the potential for shared after hours desk coverage.
- e. Borrower will need to staff the Projects appropriately to ensure their successful completion.

(f) Commercial Space

- a. Borrower must provide Commercial Space Plan to OCII no less than 90 days prior to Loan Committee date for gap loan, including racial equity goals and anticipated outcomes related thereto.
- b. Borrower must make good faith efforts to secure signed LOI/s from commercial tenants prior to OCII’s gap loan closing.

(g) Community Outreach, Marketing, and Reporting

- a. Borrower must collaborate with OCII, and HSH where appropriate, and conduct community outreach to solicit input, address concerns, and educate community members on various aspects of the Project and to solicit input regarding potential uses for neighborhood and community-serving commercial space(s).
- b. In collaboration with OCII, Borrower, as lead, must engage and assess COP Holders needs regarding AMI levels, program needs, program desires, and provide an analysis to OCII in addition to proposed income tiering and program elements/design features that aim to address COP Holders expressed statements throughout the Loan term.
- c. Borrower must provide a draft early outreach plan within the first 3 months of construction commencement of a project phase.
- d. Borrower must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
- e. Borrower must monitor and report on construction hard costs during the predevelopment period.
- f. Borrower must provide OCII with detailed monthly updates via the OCII Monthly Project Update, which may be amended from time-to-time, including on: a) Community Outreach Completed; b) Outcomes achieved related to racial equity goals; and c) Commercial use programming.
- g. Borrower must provide quarterly updated response(s) to any letters requesting corrective action to OCII.
- h. BSS to report to OCII by end of calendar year 2024 on status of operating cash finding from 2023 City Audit.

4.8 Limitations on Approved Expenditures. OCII may refuse to approve any expenditure: (a) during any period in which an event that, with notice or the passage of time or both, would constitute an Event of Default remains uncured; or (b) for disapproved, unauthorized or improperly documented expenses. OCII is not obligated to approve expenditure of the full Funding Amount unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all funds disbursed to Borrower under this Agreement exceed the Funding Amount.

ARTICLE 5 INTENTIONALLY OMITTED

ARTICLE 6 INTENTIONALLY OMITTED

ARTICLE 7 INTENTIONALLY OMITTED

ARTICLE 8 INTENTIONALLY OMITTED

ARTICLE 9 GOVERNMENTAL REQUIREMENTS.

9.1 Borrower Compliance. Borrower must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of the Funding Amount for the design, construction, rehabilitation and/or operation of the Project, including without limitation the requirements of the CRL, Redevelopment Dissolution Law, Mission Bay South Redevelopment Plan and Owner Participation Agreement, and OCII Policies including without limitation those set forth in Exhibit E. Borrower acknowledges that its failure to comply with any of these requirements will constitute an Event of Default under this Agreement.

ARTICLE 10 PROJECT MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

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

(b) Borrower must keep and maintain books, records and other documents relating to the receipt and use of all the Funding Amount. Borrower must maintain records in accordance with OCII requirements with respect to all matters covered by this Agreement, including all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility and condition of the Project. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance. Except as otherwise authorized by OCII, such records shall be maintained for a period of four years from the date of the termination of the Agreement; except that records that are the subject of audit findings shall be retained for four years or until such audit findings have been resolved, whichever is later.

10.2 Monthly Reporting. Commencing on the Agreement Date, Borrower must submit monthly reports (the “**OCII Monthly Project Update**”) describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, procuring architects, consultants and contractors, changes in scope, cost or schedule and significant milestones achieved in the past month and expected to be achieved in the coming month. The OCII Monthly Project Update must be submitted by email in substantially the form attached hereto as Exhibit M until the Project has finalized its Form 8609.

10.3 Response to Inquiries. At the request of OCII, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations and condition of the Project, the status of any mortgage encumbering the Project and any other requested information with respect to Borrower or the Project.

10.4 Delivery of Records. At the request of OCII, made through its agents, employees, officers or attorneys, Borrower must provide OCII within a reasonable period of time of no less than sixty (60) days from request therefor with copies of each of the following documents, certified in writing by Borrower to be complete and accurate:

(a) all tax returns filed with the United States Internal Revenue Service, the California Franchise Tax Board and/or the California State Board of Equalization on behalf of Borrower and any general partner or manager of Borrower;

(b) all certified financial statements of Borrower and, if applicable, its general partner or manager, the accuracy of which must be certified by an auditor satisfactory to OCII; and

(c) any other records related to Borrower's ownership structure and the use and occupancy of the Site.

10.5 Access to Other Project Books and Records. In addition to Borrower's obligations under Sections 2.4, 10.1, 10.2, and 10.3, any other obligations to provide reports or maintain records in any OCII Document, Borrower agrees that duly authorized representatives of OCII (which shall include MOHCD staff) will have access to and the right to inspect, copy, audit and examine all books, records and other documents Borrower is required to keep at all reasonable times, following reasonable notice, for the retention period required under Section 10.6.

10.6 Records Retention. Borrower 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 amount of up to Nine Hundred Six Thousand Seven Hundred Thirty One and No/100 Dollars (\$906,731.00) shall be available to Borrower as a developer fee for the predevelopment period ("**Cash Developer Fee**"), payable in accordance with the Developer Fee Schedule attached hereto as Exhibit N. If approved by Loan Committee and the Commission, this Cash Developer Fee will be increased to an aggregate amount not to exceed Six Million Four Hundred Thousand and No/100 Dollars (\$6,400,000.00) (net of the anticipated deferred developer fee portion of the total developer fee) at the time of the execution of a permanent loan (including a Construction/Permanent Loan) agreement for the Project to be consistent with MOHCD policy and to maximize leveraged sources for the Project. The parties acknowledge that the fee amounts may be updated in connection with any gap financing provided by OCII. OCII acknowledges and agrees that the maximum Cash Developer Fee shall be increased to the extent that the maximum net cash developer fee allowed under relevant program guidelines applicable to the Project is increased, provided that the updated maximum is less than or equal to the maximum allowed by the then-current MOHCD developer fee policy.

ARTICLE 16 TRANSFERS.

16.1 Non-Assignment. Borrower shall not assign or transfer this Agreement without OCII's prior written consent, which may be given, withheld or conditioned in OCII's sole discretion. For purposes of this Section, an assignment shall also include any dissolution, merger, consolidation or other reorganization, or any issuance, sale, assignment, hypothecation or other transfer of legal or beneficial interests in the Borrower. Any other transfer, assignment, encumbrance or lease without OCII's prior written consent will be voidable and, at OCII's election in its sole discretion, constitute an Event of Default under this Agreement. OCII's consent to any specific assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of OCII's rights under this Agreement. Notwithstanding the foregoing, to the extent consistent with the terms of an additional predevelopment loan for possible development of the Phase II Site, Borrower may partially assign, with OCII's prior written consent in its sole discretion, this Agreement and the other OCII Documents to Phase II Borrower to the extent the Loan was or will be used for work on the Phase II Site.

ARTICLE 17 INSURANCE AND BONDS.

17.1 Borrower's Insurance. Subject to approval by OCII's Deputy Director for Finance and Administration of the insurers and policy forms, Borrower must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in Exhibit F throughout the term of this Agreement at no expense to OCII.

ARTICLE 18 GOVERNMENTAL APPROVALS.

18.1 Compliance. Borrower covenants that it has obtained or will obtain in a timely manner, and thereafter comply with, all federal, state and local governmental approvals required by Law to be obtained for the Project. Subject to Section 23.1, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 19 DEFAULT.

19.1 Event of Default. Any material breach by Borrower of any covenant, agreement, provision or warranty contained in this Agreement or in any of the OCII Documents that remains uncured upon the expiration of any applicable notice and cure periods contained in any OCII Document will constitute an "**Event of Default**," including the following:

- (a) Borrower fails to make any payment required under this Agreement within fifteen (15) days after the date when due; or
- (b) Borrower fails to perform or observe any other term, covenant or agreement contained in any OCII Document, and the failure continues for thirty (30) days after Borrower's receipt of written notice from OCII to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by OCII, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or
- (c) Any representation or warranty made by Borrower in any OCII Document proves to have been incorrect in any material respect when made; or
- (d) Borrower is in default of its obligations with respect to the Ground Lease, once executed, or any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable cure periods; or
- (e) Borrower ceases to be in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or
- (f) Borrower ceases to exist in its present form (unless otherwise permitted or approved pursuant to Article 16); or
- (g) Borrower assigns or attempts to assign any rights or interest under any OCII Document, whether voluntarily or involuntarily, except as permitted under Section 16.1; or
- (h) Borrower voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Borrower except as permitted under Article 16; or

(i) Without OCII's prior written consent, Borrower transfers, or authorizes the transfer of, funds in any Account required or authorized under this Agreement; or

(j) intentionally omitted

(k) Borrower is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee or similar official for Borrower or for all or any part of its property (or an appointment is made without its consent); or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to Borrower or to all or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against the Site, the improvements or any other property of Borrower; or

(l) Any adverse change occurs in the financial condition or operations of Borrower, that materially affects on the Borrower's ability to complete the Project; or

(m) intentionally omitted

(n) intentionally omitted

(o) Borrower is in default of its obligations with respect to any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable cure periods; or

(p) Borrower is in default of its obligations under any other agreement entered into with OCII or the City, including but not limited to the ENA, and the default remains uncured following the expiration of any applicable cure periods. For the avoidance of doubt, the expiration of the ENA shall not act to relieve Borrower of its obligations under this Agreement unless expressly provided.

19.2 Remedies. Upon the occurrence of an Event of Default by the Borrower, except as otherwise provided in this Agreement, the Borrower shall have thirty (30) days from the receipt of written notice from OCII to cure such default, or, if such default cannot reasonably be cured within such 30-day period, the Borrower shall commence action to cure such failure within such 30-day period and diligently and continuously prosecute such action to completion, but in any event no longer than 90 days from the receipt of written notice from OCII to cure such default. During the pendency of an uncured Event of Default, OCII may exercise, in its sole discretion, 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 the following:

(a) OCII may declare the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other

OCII Documents, immediately due and payable without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which Borrower expressly waives.

(b) OCII may terminate all commitments to make Disbursements, or, without waiving the Event of Default, OCII may determine to make further Disbursements upon terms and conditions satisfactory to OCII in its sole discretion.

(c) OCII may perform any of Borrower's obligations in any manner, in OCII's reasonable discretion.

(d) OCII may terminate this Agreement.

(e) OCII may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions necessary or desirable to correct Borrower's noncompliance with this Agreement.

(f) Upon the occurrence of an Event of Default described in Section 19.1(k), the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other OCII Documents, will become due and payable automatically.

(g) All costs, expenses, charges and advances of OCII in exercising its remedies or to protect the Project will be deemed to constitute a portion of the principal balance of the Note, even if it causes the principal balance to exceed the face amount of the Note, unless Borrower reimburses OCII within ten (10) days of OCII's demand for reimbursement.

(h) OCII may acquire any Work Product as described in Section 24.21 of this Agreement.

19.3 Force Majeure. The occurrence of any of the following events shall excuse performance of any obligations of OCII or Borrower to the extent that the events cause enforced delays in the performance of a party's obligations under this Agreement: 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 Borrower's performance only in the event that Borrower has provided notice to OCII within thirty (30) days after the occurrence or commencement of the event or events, and Borrower's performance will be excused for a period ending thirty (30) days after the termination of the event giving rise to the delay.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Borrower Representations and Warranties. As a further inducement for OCII to enter into this Agreement, Borrower represents and warrants as follows:

Attn: Executive Director
Email: Thor.Kaslofsky@sfgov.org

To OCII General Counsel: Office of Community Investment and Infrastructure
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Agency General Counsel
Email: James.Morales@sfgov.org

To MOHCD: Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Director
Email: Daniel.Adams@sfgov.org

To Borrower: Mission Bay 4 East Associates, L.P.
c/o Curtis Development
10 Linares Avenue
San Francisco, CA 94116
Attn: Charmaine Curtis
Email: charmaine@curtis-development.com

with a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Ste. 1110
San Francisco, CA 94104
Attn: Evan Gross
Email: egross@gubbandbarshay.com

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. For the convenience of the parties, copies of notices may also be given by email.

ARTICLE 22 HAZARDOUS SUBSTANCES.

22.1 Borrower's Representations. Intentionally omitted.

22.2 Covenant. Unless OCII otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Borrower must: (a) in connection with Borrower's activities on the Site during the predevelopment phase of the Project, comply with all applicable Environmental Laws relating to the Site and the Project, and not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Laws or that is not customary and incidental to the intended use of the Site,

provided that nothing contained in this Section will prevent Borrower from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws; and (b) deliver to OCII, promptly following the occurrence of any such event, notice of the discovery by Borrower of any event violating the covenants established in subsection (a), above.

ARTICLE 23 INDEMNITY

23.1 Borrower's Obligations. To the fullest extent permitted by law, Borrower shall hold harmless, defend at its own expense, and indemnify OCII, the City, and their respective commissioners, officers, agents and employees (individually or collectively, an "**Indemnatee**") against any and all Losses, of every kind, nature and description directly or indirectly arising out of, or connected with Borrower's obligations under this Agreement, except to the extent caused by the willful misconduct or the gross negligence of the Indemnatee. For purposes of this Article, Losses will include, but not be limited to: (a) any default by Borrower in the observance or performance of any of Borrower's obligations under the OCII Documents (including those covenants set forth in Article 22 above); (b) any failure of any representation by Borrower to be correct in all respects when made; (c) injury or death to persons or damage to property or other Losses occurring on or in connection with Borrower's activities pursuant to this Agreement, whether caused by the negligence or any other act or omission of Borrower; (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnatee that relates to or arises out of the OCII Documents, the Loan, the Predevelopment Activities or any transaction contemplated by, or the relationship between Borrower and OCII or Borrower and the City or any action or inaction by OCII or the City under, the OCII Documents; (e) any Environmental Activity directly or indirectly caused by Borrower or any failure of the Borrower to comply with all applicable Environmental Laws relating to the Project or the Site; (f) the occurrence, after the termination of this Agreement, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring before the termination of this Agreement; (g) any liability of any nature arising from Borrower's contest of or relating to the application of any Law, including any contest permitted under Sections 9.1, 18.1 and 22.2; 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 (h) above. In the event any action or proceeding is brought against an Indemnatee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, and upon written notice from Indemnatee, Borrower shall at its sole expense answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnatee. Each Indemnatee shall 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 Indemnatee in connection with the matters covered by this Agreement. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement. For purposes of this Section, "Borrower" shall include Borrower, its officers, employees, agents, contractors and/or subcontractors.

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

ARTICLE 24 GENERAL PROVISIONS.

24.1 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 Borrower or Borrower's agents, employees or contractors. Notwithstanding the forgoing, OCII and Borrower hereby acknowledge and agree that as the intended assignee of OCII's rights under the OCII Documents, the City is a third party beneficiary under the OCII Documents.

24.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any claim against OCII by any person or entity with respect to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Project. Borrower must include this requirement as a provision in any contracts for the development of the Project.

24.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by OCII and Borrower with regard to the subject matter of this Agreement. No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto. No oral understandings or agreements not incorporated herein will be binding on OCII or Borrower.

24.5 OCII Obligations. OCII's sole obligation under this Agreement is limited to providing 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 Borrower for any special or consequential damages arising out of actions or failure to act by OCII in connection with any of the OCII Documents.

24.6 Borrower Solely Responsible. Borrower is an independent contractor with the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance contemplated under this Agreement. Borrower is solely responsible for: (a) its own acts and those of its agents, employees and contractors and all matters relating to their performance, including compliance with Social Security, withholding and all other Laws governing these matters and requiring that contractors include in each contract that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Borrower, any of its contractors or subcontractors and OCII and its officers, representatives, agents and employees on account of any act, error or omission of Borrower in the performance of this Agreement or any other OCII Document and the development and operation of the Project; and (c) all costs and expenses relating to Borrower's performance of obligations under the OCII Documents, the delivery to OCII of documents, information or items under or in connection with any of the OCII Documents and taxes, fees, costs or other charges payable in connection with the execution, delivery, filing and/or recording of any OCII Document or document required under any OCII Document.

24.7 No Inconsistent Agreements. Borrower warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of this Agreement.

24.8 Inconsistencies in OCII Documents. In the event of any conflict between the terms of this Agreement and any other OCII Document, the terms of this Agreement control unless otherwise stated; *provided, however*, that any provision in this Agreement in conflict with any Law will be interpreted subject to that Law.

24.9 Governing Law. This Agreement is governed by California law without regard to its choice of law rules.

24.10 Joint and Several Liability. If Borrower consists of more than one person or entity, each is jointly and severally liable to OCII for the faithful performance of this Agreement.

24.11 Successors. Except as otherwise limited herein, the provisions of this Agreement bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns. This provision does not relieve Borrower of its obligation under the OCII Documents to obtain OCII's prior written consent to any assignment or other transfer of Borrower's interests in the Loan, the Site or the ownership interests in Borrower.

24.12 Attorneys' Fees. If any legal action is commenced to enforce any of the terms of this Agreement or rights arising from any party's actions in connection with this Agreement, the prevailing party will have the right to recover its reasonable attorneys' fees (including allocated fees of the City Attorney's Office) and costs of suit from the other party, whether incurred in a judicial, arbitration, mediation or bankruptcy proceeding or on appeal. For the purposes of this Agreement and to the extent that the City Attorney's Office represents OCII or the City as the successor to this Agreement, the reasonable fees of attorneys in the City Attorney's office will be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter of law for which the City Attorney's services were rendered, who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office. An award of attorneys' fees and costs will bear interest at the default rate under the Note from the date of the award until paid.

24.13 Severability. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

24.14 Time. Time is of the essence in this Agreement. Whenever the date on which an action must be performed falls on a Saturday, Sunday or federal holiday, the date for performance will be deemed to be the next succeeding business day.

24.15 Further Assurances. Borrower agrees to: (a) pursue in an effective and continuous manner; (b) use best efforts to achieve; and (c) take all actions reasonably required by OCII from time to time to confirm or otherwise carry out the purpose of this Agreement.

24.16 Binding Covenants. Following the recordation of the Memorandum of Ground Lease, the provisions of the OCII Documents constitute covenants running with the land and will be binding upon Borrower and Borrower's successors and assigns, and all parties having or acquiring any right, title or interest in whatever form, including leasehold interests (other than Tenants and approved commercial tenants), in or to any part of the Site, except that the same will terminate and become void automatically at the expiration of the term of this Agreement. Any attempt to transfer any right, title or interest in the Site in violation of these covenants will be void.

24.17 Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any OCII Document, that party agrees not to withhold or delay its consent or approval unreasonably.

24.18 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute but one agreement.

24.19 Borrower's Personnel. The Project shall be implemented only by competent personnel under the direction and supervision of Borrower. Borrower must provide written notice of the replacement of: the manager, executive director, director of housing development, director of property management and/or any equivalent position of either member of the general partner or the manager of the general partner, within thirty (30) days after the effective date of such replacement.

24.20 Borrower's Board of Directors. Borrower or its managing general partner shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in its bylaws and other governing documents, and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Said board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Borrower of its obligations under this Agreement.

24.21 Ownership of Results. Any interest of Borrower or any sub-borrower, in drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of electronic files, or other documents or Publications prepared by or on behalf of Borrower or any sub-borrower in connection with this Agreement, the implementation of the Project, the services to be performed under this Agreement, or acquired through the use of any Loan proceeds ("**Work Product**"), is hereby pledged to OCII as security for Borrower's obligations under this Agreement and the Note, and upon an Event of Default, subject to all applicable notice and cure periods, shall become the property of and be promptly transmitted by Borrower to OCII. Notwithstanding the foregoing, Borrower may retain and use copies for reference and as documentation of its experience and capabilities. Borrower shall ensure that its architects and engineers execute an assignment of work product generally in the form attached hereto as Exhibit P, prior to or concurrent with execution of this Agreement.

This Agreement constitutes a security agreement under the California Uniform Commercial Code, as it may be amended from time to time, and Borrower authorizes OCII to file any financing statements OCII elects and deems necessary to perfect its security interest in the Work Product.

24.22 Works for Hire. If, in connection with this Agreement or the implementation of the Project, Borrower or any sub-borrower creates artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship or Publications, such creations shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such creations shall be the property of OCII. If it is ever determined that any such creations are not works for hire under applicable law, Borrower hereby assigns all copyrights thereto to OCII, and agrees to provide any material, execute such documents and take such other actions as may be necessary or desirable to effect such assignment. With the prior written approval of OCII, Borrower may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Borrower shall use commercially reasonable efforts to obtain all releases, assignments or other agreements from sub-borrowers or other persons or entities implementing the Project to ensure that OCII obtains the rights set forth in this Section.

24.23 Recourse. OCII's recourse against Borrower following an Event of Default is limited as set forth more specifically in the Note.

24.24 Assignment. OCII and Borrower hereby acknowledge and agree that, effective upon the completion of the Project, as determined by OCII and MOHCD, all of OCII's rights, interests and obligations under this Agreement shall be assigned to MOHCD. OCII and Borrower hereby agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this Section 24.24. Upon assignment to MOHCD, all references herein to OCII shall be deemed references to MOHCD.

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

EXHIBITS

- A Site Description
- B-1 Table of Sources and Uses of Funds
- B-2 Intentionally Omitted
- B-3 Intentionally Omitted
- C Intentionally Omitted
- D Intentionally Omitted
- E Contract Compliance Policies
- F Insurance Requirements
- G Lobbying/Debarment Certification Form
- H Intentionally Omitted
- I Intentionally Omitted
- J Intentionally Omitted
- K Intentionally Omitted

- L Schedule of Performance
- M OCII Monthly Project Update Form
- N Developer Fee Schedule
- O Assignment of Work Product
- P Consent to Assignment of Work Product
- Q Promissory Note

[Remainder of page intentionally left blank; signature page to follow.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

OCII:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California:

By: _____

Name: Thurston Kaslofsky
Title: Executive Director

APPROVED AS TO FORM:

James B. Morales
OCII General Counsel

By: _____

BORROWER:

Mission Bay 4 East Associates, L.P.,
a California limited partnership

Bayview Hunters Point Multipurpose Senior Services, Inc.,
a California nonprofit public benefit corporation,
its managing general partner

By: _____

Name: Cathy Davis
Title: Executive Director

CD MB4E LLC,
a California limited liability company, its
administrative general partner

By: Charmaine Curtis
its sole member/manager

By: _____

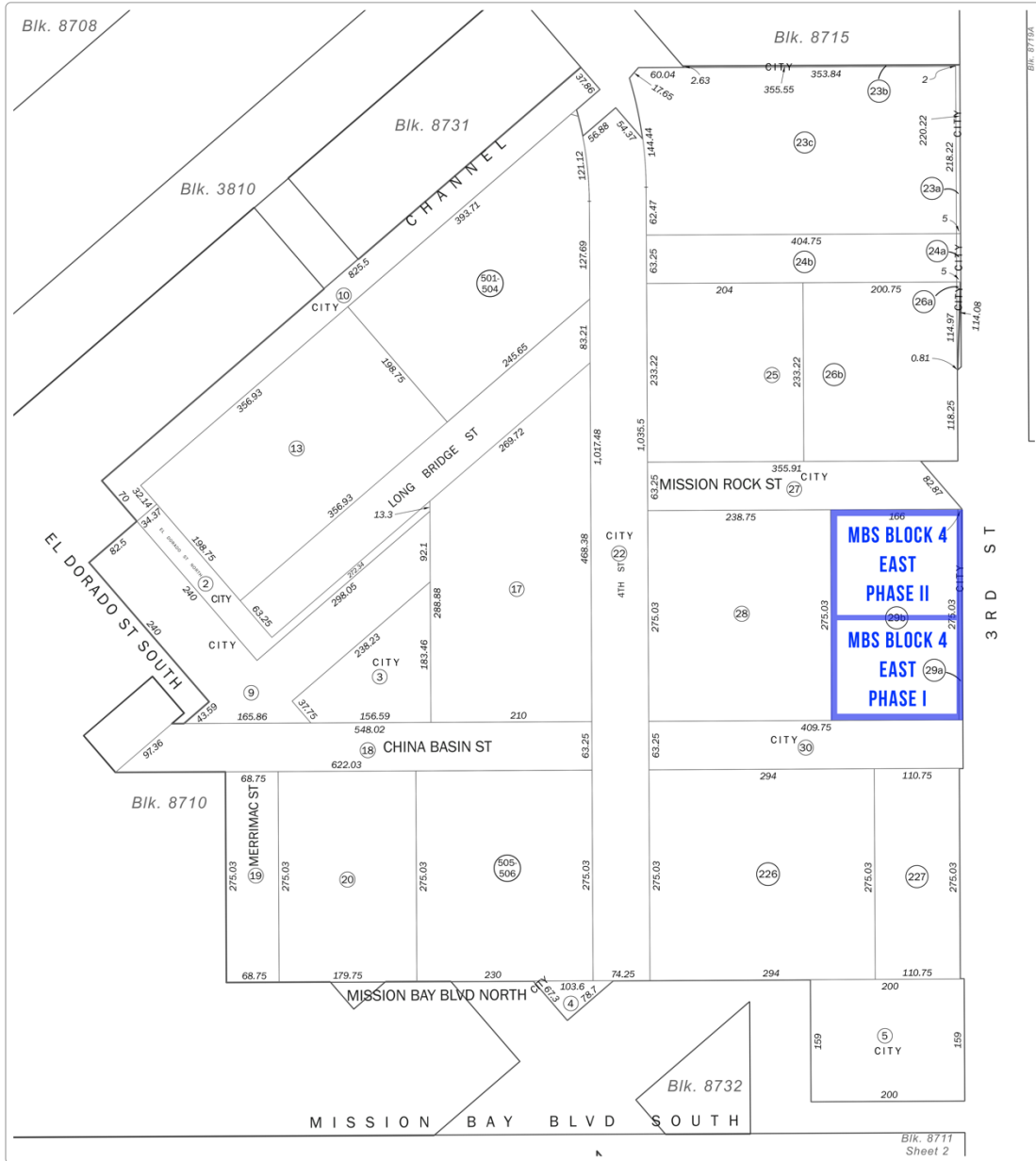
EXHIBIT A Site Description

Volume 44

MISSION BAY
TRACT NO. 3936

Block 8711

SHEET 1 OF 3



**SAN FRANCISCO CITY & COUNTY
ASSESSOR'S BLOCK MAP**

DISCLAIMER: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.



REVISED 2023



EXHIBIT B-1

Table of Sources and Uses of Funds

EXHIBIT B-2
Intentionally Omitted

EXHIBIT B-3
Intentionally Omitted

EXHIBIT C
Intentionally Omitted.

EXHIBIT D
Intentionally Omitted.

EXHIBIT E

1. Equal Opportunity Policies. Borrower shall comply with OCII's Equal Opportunity Policies:

- (i) Small Business Enterprise (SBE) Policy (adopted by Resolution No. 43-2015, July 7, 2015, 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 Project 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 Borrower or OCII who exercises or has exercised any function or responsibilities with respect to activities assisted by the Funding Amount, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Borrower must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Borrower will be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Borrower must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Borrower represents that it is familiar with the provisions of Sections 1090 through 1097 and 87100 *et seq.* of the California Government Code, all of

which relate to prohibited conflicts of interest in connection with government contracts. Borrower certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify OCII immediately if Borrower at any time obtains knowledge of facts constituting a violation.

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

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

5. Lead-Based Paint. Borrower must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq.*) and implementing regulations at 24 CFR part 35. Borrower must also comply with the provisions contained in 17 CCR 36100 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

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

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

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

(b) Non-Discrimination in Benefits. Borrower does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations

in San Francisco or where the work is being performed for OCII or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a Governmental Agency under state or local law authorizing such registration, subject to the conditions set forth in the Agency's Nondiscrimination in Contracts Policy, adopted by Agency Resolution 175-97, as amended from time to time.

8. Public Disclosure.

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

9. Limitations on Contributions. Through execution of this Agreement, Borrower acknowledges that it is familiar with section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the Agency for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Borrower acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Borrower further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Borrower's board of directors; Borrower's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Borrower; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Borrower. Additionally, Borrower acknowledges that Borrower must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126.

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

Borrower's general partners (or, if applicable, general partners' managing members); any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Borrower.

EXHIBIT F
Insurance Requirements

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or caused to be maintained, insurance as set forth in this Exhibit F throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII. If and when the Borrower and OCII enter into a gap loan agreement or other agreements authorizing or funding the construction of the Project, 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 F 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)	\$1,000,000 per occurrence/ \$2,000,000 aggregate	Borrower and Borrower's contractors	Additional insured (see Section G)
Automobile Liability (see Section B.2)	\$1,000,000 per occurrence	Borrower and Borrower'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	Borrower and Borrower's contractors	Waiver of subrogation
Professional Liability (see Section B.4)	\$2,000,000 per claim/ \$2,000,000 aggregate	Borrower if engaged in any eligible design-related activities; and Borrower's design and professional contractors	None
Crime/Dishonesty (see Section B.5)	\$1,000,000 per loss	Borrower	Loss payee endorsement

B. Minimum Scope and Limits of Insurance. Borrower and/or Borrower'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, Borrower and Borrower's Contractors will maintain coverage of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000)

annual aggregate limit. Umbrella or Excess Liability Policy may be used to meet the terms of this section. Borrower 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 Borrower 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 Borrower does not own any automobiles, Borrower 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. One Million Dollars (\$1,000,000) 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 Borrower does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Project Sponsor(s) or the General Partner of the Partnership, in lieu of such coverage being provided by the Borrower. Additionally, the Borrower must provide a written statement confirming that the Borrower does not have employees.
- 4) Professional Liability (Errors and Omissions) insurance, applicable to the Borrower's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Borrower only if the Borrower or Sponsor 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 Borrower, determine and verify the appropriate level of coverage provided by the subcontractor or consultant. The design professional and the Borrower 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 Borrower are legally liable in the absence of adequate subcontractor or consultant coverage.

- 5) Crime Policy or Fidelity Bond covering Borrower and 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). Borrower 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 Borrower 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 Borrower maintains additional coverages and/or higher limits than the minimums shown in this Exhibit F, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Borrower.
 - 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 Borrower'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 Borrower's insurance by OCII will not relieve or decrease the liability of Borrower under this Agreement.
 - 6) OCII and its officers, agents and employees will not be liable for any required premium under any policy maintained by Borrower.
 - 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. Borrower 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. Borrower shall require and verify that its contractors and consultants maintain the required policies as stated herein. Borrower 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 (Borrower, 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 Borrower 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 G
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 contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
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 contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

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 Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

[Remainder of page intentionally left blank; signature page to follow.]

Mission Bay 4 East Associates, L.P.,
a California limited partnership

Managing General Partner:

Bayview Hunters Point Multipurpose Senior Services, Inc.,
a California nonprofit public benefit corporation

By: _____

Name: Cathy Davis

Title: Executive Director

Administrative General Partner:

CD MB4E LLC,
a California limited liability company

By: [corporation TBD],
a California corporation,
its sole member/manager

By: _____

Name: Charmaine Curtis

Title: [TBD]

EXHIBIT H
Intentionally Omitted.

EXHIBIT I
Intentionally Omitted

EXHIBIT J
Intentionally Omitted

EXHIBIT K
Intentionally Omitted

EXHIBIT L
Schedule of Performance

No.	Performance Milestones	Phase I Estimated or Actual Date	Phase I Contractual Deadline	Phase II Estimated or Actual Date	Phase II Contractual Deadline
A.	Prop I Noticing (if applicable)	N/A	N/A	N/A	N/A
1.	Acquisition/Predev. Financing Commitment (OCII Commission)	September 2024	(this request)	September 2024	(this request)
2.	Site Acquisition (site transfer from FOCIL-MB, LLC to OCII with option to ground lease to Mission Bay 4 East Associates, LP)	July 2025	January 2026	July 2025	January 2026
3.	Development Team Selection				
a.	Associate Architect & Design Consultants	November 2024	May 2025	November 2024	May 2025
b.	General Contractor	December 2024	June 2025	December 2024	June 2025
c.	Owner's Representative	December 2024	June 2025	December 2024	June 2025
d.	Property Manager (JSCo)	Complete	Complete	Complete	Complete
e.	Service Provider (BSS)	Complete	Complete	Complete	Complete
4.	Design				
a.	Submittal of Basic Concept (unit count and general massing) – no specs, consultants	October 2024	April 2025	October 2024	April 2025
b.	Submittal of 50% Schematic Design	March 2025	September 2025	March 2025	September 2025
c.	Submittal of 100% Schematic Design & Cost Estimate	May 2025	November 2025	March 2026	August 2026
d.	Schematic Design OCII Commission Approval	September 2025	March 2026	July 2026	January 2027
e.	Submittal of Design Development & Cost Estimate	November 2025	May 2026	November 2026	May 2027

f.	Submittal of 50% CD Set & Cost Estimate	April 2026	October 2026	April 2027	October 2028
g.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	August 2026	February 2027	August 2027	February 2028
5.	Environmental Review/Land-Use Entitlements/Subdivision Mapping				
a.	Phase I Study	August 2024	February 2025	August 2024	February 2025
b.	Phase II Study	December 2024	June 2025	December 2024	June 2025
c.	CEQA Exemption (OCII Commission)	September 2025	March 2026	September 2025	March 2026
d.	Geotechnical Investigations completed	January 2025	June 2025	January 2025	June 2025
e.	Maher Ordinance Compliance completed	June 2025	December 2025	June 2025	December 2025
f.	Shadow/Wind Analysis	December 2024	June 2025	December 2024	June 2025
g.	D4D Amendment	September 2025	March 2026	September 2025	March 2026
h.	OPA/Redevelopment Plan Amendments (for Phase II) OCII Commission	N/A	N/A	July 2026	January 2027
i.	Tentative Parcel Map Application to SFPW (lot split)	September 2025	March 2026	September 2025	March 2026
j.	Final Parcel Map Application to SFPW	February 2026	August 2026	February 2026	August 2026
6.	Permits				
a.	Building / Site Permit Application Submitted	September 2025	April 2026	September 2026	April 2027
b.	Addendum #1 Submitted	May 2026	November 2027	May 2027	November 2027
c.	Addendum #2 Submitted	October 2026	April 2027	October 2027	April 2027
d.	Addendum #3 Submitted	October 2026	April 2026	October 2027	April 2027
7.	Request for Bids Issued	October 2026	April 2027	October 2027	April 2028
8.	City Financing				

a.	Predevelopment Financing Committed (OCII Commission)	September 2024	March 2025	July 2025	January 2026
b.	Gap Financing Application	September 2025	March 2026	September 2026	March 2027
c.	Gap Financing Committed (OCII Commission)	January 2026	July 2026	January 2027	July 2027
9.	Other Financing				
a.	CalHFA MIP Application	February 2026	August 2026	February 2027	August 2027
b.	CDLAC Application	April 2026	October 2026	April 2027	October 2027
c.	CDLAC Allocation	August 2026	April 2027	August 2027	April 2028
d.	Construction Financing/Tax Credit Investor RFP	September 2026	March 2027	September 2027	March 2028
e.	AHP Application	March 2026	September 2026	March 2027	September 2027
f.	AHP Committed	June 2026	December 2026	June 2027	December 2027
10.	Closing				
a.	Construction Closing	February 2027	August 2027	February 2028	August 2028
b.	Permanent Financing Closing	August 2030	December 2030	January 2032	July 2032
11.	Construction				
a.	Notice to Proceed	February 2027	August 2027	February 2028	August 2028
b.	Temporary Certificate of Occupancy/Cert. of Substantial Completion	April 2029	October 2029	July 2030	January 2030
c.	CFCO/Certificate of Final Completion and Occupancy	July 2029	January 2030	October 2030	April 2031
12.	Marketing/Rent-up				
a.	OCII Early Outreach Plan Submission	April 2027	October 2027	April 2028	October 2029
b.	Marketing Plan Submission	May 2028	November 2028	May 2029	November 2030
c.	Commence Marketing	July 2028	April 2029	July 2029	December 2029
d.	100% Occupancy	April 2030	May 2030	September 2031	March 2032
13.	Cost Certification/8609	December 2030	June 2031	May 2032	November 2032

Exhibit L

14.	Close Out OCII Loan	December 2030	June 2031	May 2032	November 2032
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EXHIBIT M
OCII Monthly Project Update Form

OCII MONTHLY PROJECT UPDATE FORM

Please complete this Monthly Project Update and email the Word document to the Project Manager, with a copy to Phillip Wong (Phillip.C.Wong@sfgov.org), by the first of each month. Please focus on the relevant sections of project progress, and anticipate approvals that will be needed over the next 2 – 3 months from other departments. Use as much space as you need.

I. THE PURPOSE OF THESE UPDATES IS TO TRACK PROJECT PROGRESS

1. *During the pre-construction*
2. *On non-construction issues during construction, and*
3. *After regular monthly construction meetings have ended*

Project Summary Information

Project:	
Sponsor:	
# Units:	
Target Population:	

1. Monthly Update

Month Covered:	Date of Report:
Completed by:	
Estimated Construction Start Date (if changed from previous update, please explain):	
Estimated Total Development Cost (if changed from previous update, please explain):	
Project's OCII gap commitment (excluding OCII funding committed to date):	
Expected date when OCII gap funding needed: Month: Year:	
Procurement and bidding (architect, consultants and contractors):	
Entitlements, permits and utilities (Planning /dept., DBI, SFFD, SFPW, SFWD/SFPUC, MOD, PG&E and RED)	
Any changes in the scope, cost, schedule or financing plan? (Attach updated budget and/or schedule, if any, that have occurred since prior month.)	
Significant milestones reached during the past month, and any planned to be reached during the coming month. Also include any projected milestones not reached during the last month and the	

reasons why. (Depending on the phase of the project, please cover efforts to obtain additional financing, relocation, planning, service planning, marketing and rent-up, etc., as applicable for the project.)

FOR OCII STAFF ONLY

Major issues, delays, etc.:

Items for discussion with Director:

EXHIBIT N
Developer Fee Schedule

Cash Developer Fee Disbursement Schedule (Phase I and Partial Phase II Site)			
Payment Milestone	% of Project Mgmt. Fee/At-Risk Fee/Deferred Fee	Phase I Amount	Phase II Amount
At close of preconstruction financing	10%	\$150,000	\$50,000**
During or at end of predevelopment	35%	\$525,000*	\$181,731***
Total Cash Developer Fee (Phase I and Partial Phase II Site)	-		\$906,731

* For Phase I \$20,192.31/month 26 monthly payments during predevelopment. Any modifications or delays to predevelopment activities that result in schedule changes will not change the maximum amount of fee provided during these Phase I and Phase II developer fee milestones (During or at end of predevelopment) but developer fees may be modified pursuant to any changes to MOHCD's Developer Fee Policy and during request for gap financing

** \$50,000 of this milestone amount (At close of preconstruction financing for Phase I and Partial Phase II Site Predevelopment Loan) with a remainder amount of \$100,000 of this milestone available when the future borrower applies for additional Phase II Predevelopment funding.

*** For Phase II \$20,192.31/month 9 monthly payments and any remainder amounts will be applied during a future Phase II Predevelopment request. Any modifications or delays to predevelopment activities that result in schedule changes will not change the maximum amount of fee provided during these Phase I and Phase II developer fee milestones (During or at end of predevelopment) but developer fees may be modified pursuant to any changes to MOHCD's Developer Fee Policy and during request for gap financing.

The parties acknowledge that the fee and potential equity amounts may be updated in connection with any gap financing provided by OCII.

EXHIBIT O
ASSIGNMENT OF WORK PRODUCT

Assignment of Architects and Engineers Agreement Plans and Specifications

FOR VALUE RECEIVED, **Mission Bay 4 East Associates, L.P.**, a California limited partnership (“Borrower”) does hereby sell, assign, pledge, transfer and set over to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California (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 Borrower and Y.A. studio and any other contracts entered into between Borrower and any licensed design profession or engineer (“Architect” or “Engineer”), and those certain Plans and Specifications and all amendments, modifications, supplements, general conditions and addenda thereto (“Plans”) prepared by the Architects and Engineers for the account of Borrower in connection with the development of approximately 400 units of affordable rental housing at Mission Bay South Block 4 East . The Agreement and the Plans are assigned as collateral security for certain indebtedness of Borrower to Agency evidenced by that certain Promissory Note of even date herewith in the principal amount of \$5,111,731.00.

Borrower and Architect or Engineer, by executing the Consent to this assignment, agree that Agency does not assume any of Borrower’s obligations or duties concerning the Agreement and the Plans, including, but not limited to, the obligation to pay for the preparation of the Agreement and the Plans, until and unless Agency shall exercise its right hereunder.

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

Borrower hereby represents and warrants to Agency that no previous assignment of its interest in the Agreement and the Plans has been made, and Borrower agrees not to assign, sell, pledge, transfer, mortgage or otherwise encumber its interest in the Agreement and the Plans so long as this Assignment is in effect.

This Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, or successors in interest of the Borrower and Agency.

IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed on _____, 2024.

BORROWER:

By: _____

EXHIBIT P
CONSENT TO ASSIGNMENT OF WORK PRODUCT
Consent to Assignment

FOR VALUE RECEIVED, **Mission Bay 4 East Associates, L.P.**, a California limited partnership, (“Borrower”) does hereby sell, assign, pledge, transfer and set over to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California (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 Borrower and Y.A. studio (“Architect”) and any other contracts entered into between Borrower 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 Borrower in connection with the development of approximately 400 units of affordable rental housing at Mission Bay South Block 4 East. The Agreement and the Plans are assigned as collateral security for certain indebtedness of Borrower to Agency evidenced by that certain Promissory Note of even date herewith in the principal amounts of \$5,111,731.00.

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 Borrower of any of the terms and conditions of the Agreement or any other agreement entered into with the undersigned in connection with the Plans, that so long as Borrower’s interest in the Plans is assigned to Agency, it will give written notice to Agency of such breach. Agency shall have sixty (60) days from the receipt of such notice of default to remedy or cure said default; however, nothing herein shall require the Agency to cure said default, but only gives it the option to do so.

The undersigned also agrees that in the event of default by Borrower under any of the documents or instruments entered into in connection with said Note, the undersigned, at Agency’s request, shall continue performance under the Agreement in accordance with the terms hereof, provided that the undersigned shall be reimbursed in accordance with the Agreement for all services rendered on Agency’s behalf including all services rendered on Borrower's behalf.

Dated: _____, 2024

ARCHITECT:

Y.A. studio

By: _____

Name: _____

Title: _____

(signatures continue on following page)

ENGINEER:

By: _____

Name: _____

Title: _____

EXHIBIT Q
Promissory Note

PROMISSORY NOTE

Principal Amount: \$5,111,731

San Francisco, CA

Date: September [XX], 2024

FOR VALUE RECEIVED, the undersigned, **Mission Bay 4 East Associates, L.P.**, a California limited partnership ("Maker"), hereby promises to pay to the order of the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, hereafter referred to as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California ("OCII", including any successors or assigns), or holder (as the case may be, "Holder"), the principal sum of Five Million Seven Hundred Eleven Thousand Seven Hundred Thirty One and No/100 Dollars (\$5,111,731.00) (the "Funding Amount"), or so much of the Funding Amount as may be disbursed from time to time pursuant to the Agreement described in **Section 1** below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("Note") is given under the terms of a Loan Agreement by and between Maker and Holder (the "Agreement") dated as of the date set forth above, which Agreement is incorporated herein by reference. Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of three percent (3%) per annum, simple interest, from the date of disbursement of funds by Holder through the date of full payment of all amounts owing under the OCII Documents. If a Construction/Permanent Loan for the Project from OCII is subsequently approved by the Commission, the parties acknowledge that the Borrower may request and OCII may approve a reduced interest rate in order to maintain Project feasibility.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any OCII Document, interest will be deemed to have accrued on the outstanding principal balance of the Loan at a compounded annual rate equal to the lesser of: (a) ten percent (10%); or (b) the maximum lawful rate of interest, commencing on the date on which Maker receives written notice from Holder of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the OCII Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any OCII Document.

4. Repayment of Funding Amount. Maker must repay all amounts owing under the OCII Documents in accordance with and subject to Section 3 and Section 3.2 of the Agreement. All Payments will be applied to the following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Loan. The unpaid principal balance of the Loan, together with all accrued and unpaid interest and unpaid costs and fees incurred, will be due and payable on the Maturity Date, as such term is defined in the Agreement. Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

If this Note becomes due and payable, and provided no Event of Default under any of the OCII Documents is then continuing or conditions existing that if not corrected in accordance with the notice and cure provisions of the Agreement may result in an Event of Default, the Maker may satisfy this Note in full by either (i) making payment in full; or (ii) delivering to the Holder all of the following: (x) the Work Product, as such term is defined in the Agreement, (y) an absolute and unconditional assignment to the Holder of all of Maker's right, title and interest in and to said Work Product (which assignment shall be in the substantial form of the Assignment of Work Product attached as Exhibit O to the Agreement); and (z) the written consent to such assignment of any architect, engineer or other person or firm that has any right, title or interest in or to the Work Product (which consent shall be in the substantial form of the Consent to Assignment of Work Product attached as Exhibit P to the Agreement). Additionally, in the event that a determination is made under Section 3.2 of the Agreement that the Phase II Site cannot feasibly be developed, then this Note shall be partially reduced and deemed satisfied with respect to the Phase II Site portion of the Note, in accordance with the terms of Section 3.2 of the Agreement.

5. Security. Maker's obligations under this Note are secured by, the pledge of Work Product given in the Assignment of Work Product and the Loan is non-recourse to such Maker, its partner and their members.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in

its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 Subject to this Section, Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the Deed of Trust, or exercise of Holder's rights under the Assignment of Work Product, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Loan, *provided, however*, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the OCII Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover from Maker sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Loan Funds and Rents (as defined in the Deed of Trust)), waste or negligent or intentional damage to the collateral for the Loan.

6.6 This Note may be prepaid in whole or in part at any time, and from time to time, without penalty provided that notice is given to Holder no later than ninety (90) days prior to prepayment.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Loan subject to all applicable notice and cure rights.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the OCII Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Loan, together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

[Remainder of page intentionally left blank; signature page to follow.]

"MAKER"

Mission Bay 4 East Associates, L.P.,
a California limited partnership

Bayview Hunters Point Multipurpose Senior Services, Inc.,
a California nonprofit public benefit corporation, its managing general partner

By: _____

Name: Cathy Davis

Title: Executive Director

CD MB4E LLC,
a California limited liability company, its administrative general partner

By: Charmaine Curtis
its sole member/manager

By: _____

ATTACHMENT 5



- Completed Open Space
- Site location
- Future Open Space

MISSION BAY BLOCK 4E AMENITIES

AUGUST 2024

