FOURTH AMENDMENT TO MISSION BAY SOUTH
OWNER PARTICIPATION AGREEMENT

Dated ___________, 2013

by and between

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

and

FOCIL-MB, LLC, a Delaware limited liability company
FOURTH AMENDMENT TO MISSION BAY SOUTH OWNER PARTICIPATION AGREEMENT

This Fourth Amendment to the Mission Bay South Owner Participation Agreement (this “Fourth Amendment”) dated for reference purposes only as of ________________, 2013, is 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 (the “Successor Agency”), commonly known as the Office of Community Investment and Infrastructure, and FOCIL-MB, LLC, a Delaware limited liability company (the “Owner”).

RECITALS

This Fourth Amendment is made with reference to the following facts and circumstances:

A. The Redevelopment Agency of the City and County of San Francisco (the "Former Agency") and Catellus Development Corporation, a Delaware corporation ("CDC"), entered into that certain Mission Bay South Owner Participation Agreement dated as of November 16, 1998 (the "Original OPA") and recorded December 3, 1998 as Document No. 98-G477258-00 in the Official Records of San Francisco County (the “Official Records”), which was amended by a First Amendment to Mission Bay South Owner Participation Agreement (the "First OPA Amendment") dated as of February 17, 2004 and recorded March 3, 2004 as Document No. 2004H669955 in the Official Records, between Former Agency and Catellus Land and Development Corporation, a Delaware corporation ("CLDC"), successor in all of CLDC's rights and obligations under the Original OPA, a Second Amendment to Mission Bay South Owner Participation Agreement (the "Second OPA Amendment") dated as of November 1, 2005 and recorded November 30, 2005 as
Document No. 2005I080843 in the Official Records, between Former Agency, CLDC, and the Owner, successor in interest to all of CLDC's rights and obligations under the Original OPA, as amended by the First OPA Amendment, and a Third Amendment to Mission Bay South Owner Participation Agreement (the "Third OPA Amendment) dated as of _____, and recorded _____ as Document No. ___ in the Official Records, between the Successor Agency and Owner. The Original OPA, as amended by the First OPA Amendment, the Second OPA Amendment, and the Third OPA Amendment, shall be referred to in this Fourth Amendment as the "South OPA".

B. On February 1, 2012, the Former Agency was dissolved pursuant to the provisions of California State Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”), codified in relevant part in California’s Health and Safety Code Sections 34161 – 34168 and upheld by the California Supreme Court in California Redevelopment Assoc. v. Matosantos, No. S194861 (Dec. 29, 2011). On June 27, 2012, AB 26 was subsequently amended in part by California State Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) (“AB 1484”) (together, AB 26 and AB 1484 are referred to as the “Redevelopment Dissolution Law”).

C. Pursuant to the Redevelopment Dissolution Law, all of the Former Agency’s assets and obligations (with the exception of certain housing assets) were transferred to the Successor Agency. Accordingly, the Successor Agency assumed the obligations under the South OPA, which remains in effect.

Under the Redevelopment Dissolution Law, a successor agency has the continuing obligation, subject to certain review by an oversight board and the State of California’s Department of Finance ("DOF"), to implement “enforceable obligations” which were in place
prior to the suspension of such redevelopment agency’s activities on June 28, 2011, the date that AB 26 was approved. The Redevelopment Dissolution Law defines “enforceable obligations” to include bonds, loans, judgments or settlements, and any “legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy” (Cal. Health & Safety Code § 34171(d)(1)(e)), as well as certain other obligations, including but not limited to requirements of state law and agreements made in reliance on pre-existing enforceable obligations. The South OPA meets the definition of “enforceable obligations” under the Redevelopment Dissolution Law.

D. Owner is the current owner of an approximately .70 acre site located on certain real property in the City and County of San Francisco ("City"), commonly known as Block 7E, Block 8711, Lot 32 ("Block 7E"). All of Block 7, including Block 7E, is an Approved Site as that term is defined in the Mission Bay South Housing Program and is so designated in the South OPA. Block 7 was included in a Major Phase Approval as an Approved Site, Agency Resolution No. 178-2005 (Nov. 1, 2005), and thus a Memorandum of Option for Block 7E was recorded in the Official Records of San Francisco County as Document No. 2007-I413540-0 on July 5, 2007 (the "Block 7E Option"), as required under Section 2.4 of the Mission Bay South Housing Program of the South OPA.

E. The Regents of the University of California and the Successor Agency are parties to a Disposition and Development Agreement for the development of affordable housing on Block 7E ("DDA"). The Regents has elected to pay $5,000,000.00 in liquidated damages to the Successor Agency in lieu of constructing the Phase I Affordable Housing Project on Block 7E and Successor Agency has agreed to release The Regents from its obligations under the DDA. The
termination of the DDA requires the Owner and Successor Agency to consider new development proposals for Block 7E to fulfill the South OPA obligations.

F. Family House, Inc., a nonprofit public benefit corporation ("Family House") proposes to develop a 96,000 square foot facility on Block 7E that will include approximately 80 extended stay rooms and associated common area and program space to support families of patients receiving treatment primarily at University of California at San Francisco Medical Center (the Family House Project). However, the Family House Project would not qualify as Affordable Housing Units and thus is not currently eligible to use Block 7E. FOCIL seeks to provide space in Mission Bay South for the Family House Project to complement the Mission Bay UCSF Hospital that is currently under construction. Accordingly, FOCIL proposes to change the designation of Block 7E as an Approved Site so that it may transfer Block 7E, under Section 14 of the South OPA, to Family House for the Family House Project. Removing the designation of Block 7E as an Approved Site would have the effect of terminating the Block 7E Option because it would no longer be available for development of an Agency Affordable Housing Project.

G. Although the transfer of Block 7E to Family House would reduce the amount of land for affordable housing on Block 7 by .70 of an acre, the Successor Agency, in consultation with the Mayor's Office of Housing ("MOH"), has determined that the total number of Affordable Housing Units contemplated within the Housing Program can be accommodated on the remaining parcels designated for Affordable Housing Units under the Housing Program. In order to implement the transfer of Block 7E to Family House and development of Block 7E for the Family House Project, Owner is seeking an amendment to the Mission Bay South OPA to change the designation of Block 7E as an Approved Site and allow development of the Family House Project.
H. The proposed Family House Project use on Block 7E is an institutional use governed by the Residential Guidelines set forth in the Mission Bay South Design for Development.

I. The Mission Bay South Design for Development ("Design for Development") standards allow a maximum of one parking space to be provided for every dwelling unit, plus a minimum and a maximum of one space for each 1,000 square feet of gross floor area of office uses. The Design for Development does not have a specific parking requirement for a use like the Family House Project. Assuming an equivalency of 1.7 bedrooms per dwelling unit based on the 1998 Mission Bay Final Subsequent Environmental Impact Report ("FSEIR") to determine a residential equivalency, the proposed project of 80 extended stay rooms is considered to be equivalent to a residential project with 47.1 dwelling units. In addition, the Family House Project contains 1,600 square feet of office space. Therefore the Family House Project could be allowed to provide up to 49 parking spaces (i.e. the sum of 47.1 parking spaces for dwelling units and 1.6 parking spaces for office space) and be in compliance with the intent of the Design for Development requirements.

J. The Successor Agency has determined that, for purposes of this Fourth Amendment to the OPA, Family House Project is equivalent to a housing project requiring the payment of an affordable housing fee and the Successor Agency and Family House have negotiated a payment in the amount of Two Million Five Hundred Thousand Dollars ($2,500,000.00) ("Block 7E Affordable Housing Fee"), based on the formulae in the City’s Inclusionary Affordable Housing Ordinance, Planning Code § 415.5. Under this formula, the applicable percentage for the fee is 20% of forty-seven (47) units (or 9.4 units) and the per unit subsidy is an amount based on the current affordable housing fee schedule produced by the City.
for its Inclusionary Affordable Housing Program (i.e. studio: $171,558; 1 bedroom unit: $236,545; 2 bedroom unit: $326,086). For purposes of applying this formula to the Block 7E development, the Family House and the Successor Agency agreed to apply the following assumptions in order to determine the applicable fee based on a determination of what a residential project on the Block 7E might include: A 47 units project consisting of seven studio units, 20 one-bedroom units, 20 two-bedroom units.

K. The costs incurred by the Agency and the City Agencies in connection with the negotiation of this Fourth Amendment and related documents, including environmental review documentation to comply with the California Environmental Quality Act, shall be deemed, under Article 6 of the South OPA, to be Agency Costs. To avoid the use of Net Tax Increment to reimburse Agency Costs for this Fourth Amendment, Family House will reimburse the Agency for Agency Costs incurred in connection with the negotiation of this Fourth Amendment.

L. The Owner and Successor Agency wish to enter into this Fourth Amendment for the purpose of achieving the further redevelopment within the South Plan Area and making certain amendments to the South OPA, all to further effectuate the program of development contemplated by the Mission Bay South Redevelopment Plan. The Fourth Amendment fulfills the following objectives:

(i) the development of a community-serving, non-profit use on Block 7E, which no longer has a viable development program in light of the DDA termination;

(ii) the development of the Family House Project on Block 7E will fulfill the objectives of the Mission Bay South Redevelopment Plan, including retaining and promoting UCSF's activities within the City and County of San Francisco, strengthening the
economic base of the South Plan Area and the community by adding to the
diversity of uses within the South Plan Area, and achieving these objectives in the
most expeditious manner feasible;

(iii) the Family House Project is a beneficial, non-profit use serving an important
support function to the Mission Bay UCSF Hospital, its patients and their families;

(iv) based on the Successor Agency's analysis of available remaining Affordable
Housing sites in Mission Bay, the housing that was originally contemplated for
Block 7E can be accommodated elsewhere within Mission Bay South. In addition,
Family House will pay the Block 7E Affordable Housing Fee that the Successor
Agency will use for affordable housing developed within Mission Bay South, with
a priority to use the Affordable Housing Fee for the development of Block 7W.
Accordingly, the Fourth Amendment will allow an additional beneficial use within
Mission Bay without adversely impacting production of Affordable Housing Units
and in fact will contribute substantial funds toward production of such units,
thereby reducing the need for the use of tax increment for the completion of
existing obligations, and in the process will accelerate the completion of
development under the Mission Bay South Redevelopment Plan, the South OPA
and the related enforceable obligations.

The parties have entered into this Fourth Amendment to memorialize their understanding
and commitments concerning the matters generally described above.
M. Under Redevelopment Dissolution Law, the Oversight Board has the authority to "approve any amendments to [any contracts between the dissolved redevelopment agency and any private parties] if [Oversight Board] finds that amendments...would be in the best interests of the taxing entities." Cal. Health & Safety Code Section 34181(e). For the reasons stated in Recital L, this Fourth Amendment meets this standard for amendment of an enforceable obligation.

N. The Oversight Board, consistent with its authority under AB 26 to approve amendments to agreements between the dissolved redevelopment agency and private parties where it finds that amendments or early termination would be in the best interests of the taxing entities, by Resolution No.__________, determined that an amendment to the South OPA that would permit the Family House Project in the Plan Area is in the best interests of the taxing entities.

O. Under Redevelopment Dissolution Law, the California Department of Finance ("DOF") must receive notice and information about all Oversight Board actions, which do not take effect until DOF has either not requested review within five days of the notice or requested review and approved the action within 40 days of its review request. On _______________, 2013, the Successor Agency provided a copy of Oversight Board Resolution No. __________ to DOF, which did not object to the amendment to the South OPA within the statutory time period for its review, or which approved the amendment to the South OPA within the statutory time period of the Successor Agency’s review request.
AGREEMENT

Accordingly, for good and valuable consideration, the receipt, amount and sufficiency of which is hereby acknowledged, the Owner and the Successor Agency agree as follows:

1. **Permitted Block 7E Uses.** The South OPA is hereby amended to include a new section 3.2(e) as follows:

   3.2(e). The Owner may develop on Block 7E an approximately 96,000 square foot facility consisting of (i) approximately 80 extended stay rooms and associated common area and program space and parking to support families of patients receiving treatment primarily at University of California at San Francisco Medical Center, or (ii) similar nonprofit use, if approved by the Successor Agency Commission. Block 7E is depicted on the Parcel Map attached hereto as Attachment A-2.

2. **Scope of Development Amendment to Reflect Permitted Uses.** The South OPA Attachment B (Scope of Development) is hereby amended to add a new I.B.10 as follows:

   I. B.10. Up to a 96,000 square foot facility that will include approximately 80 extended stay rooms and associated common area and program space and parking to support families of patients receiving treatment primarily at University of California at San Francisco Medical Center; or (b) similar nonprofit use, if approved by the Successor Agency Commission. As provided in the Mission Bay South Redevelopment Plan (Section 302.1, Mission Bay South Residential), extended stay rooms and associated spaces are permitted as a secondary use (institutional, small social service/philanthropic facility) which will require a finding by the Executive Director prior to development that the use, at the size and intensity contemplated and at
the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

3. **Deletion of Block 7E as Approved Housing Site/Advance Delivery Block.** OPA Attachment C (Housing Program) is hereby amended to delete Block 7E, as shown on Attachment A-2, from Attachment C, Exhibit F as an Approved Housing Site and from Attachment C, Exhibit H as an Advance Delivery Block. As a result of the removal of Block 7E from the list of Approved Housing Sites, the Block 7E Option terminates and the Successor Agency shall record a notice of termination and release of the Block 7E Option, substantially in the form attached hereto as Exhibit C. In addition, wherever the acreage of land to be contributed to the Agency by the Owner for the construction of Affordable Housing Units is referenced the amount shall be reduced by 0.7 acres; for example, where “12.2” acres of land is identified, it shall be deemed to be amended to refer to “11.5” acres of land.

4. **Affordable Housing Requirement.** Attachment C (Mission Bay South Housing Program) is hereby amended to include a new Section 4.6 under Owner Housing Program as follows:

   **4.6 Block 7E Affordable Housing Fee.** The development of a facility not to exceed 96,000 square feet and including approximately 80 extended stay rooms, as described in Section 1.B.10 of the South OPA Attachment B (Scope of Development), is equivalent to a housing project consisting of approximately 47 units that would be required under the City’s Inclusionary Housing Ordinance (which is otherwise not applicable to the South OPA) to pay an Affordable Housing Fee pursuant to the formula in Section 415.5 of the San Francisco Planning Code. Accordingly, the developer of Block 7E shall pay the amount of Two Million Five Hundred Thousand Dollars ($2,500,000.00) (“Block 7E Affordable Housing Fee”) to the Successor Agency upon close of
escrow on Block 7E transferring the property to Family House but not later than January 1, 2015, provided, however, if the Successor Agency requires the Block 7E Affordable Housing Fee to provide a commitment of financial assistance to the development of Block 7W in order for the developer of Block 7W to submit a competitive application for an allocation of private activity tax exempt bonds or low income housing tax credits (“Block 7W Allocation Application”) as evidenced by the developer of Block 7W providing Family House with written notification of its intention to submit a Block 7W Allocation Application on a certain date and evidence of other funding commitments which when combined with the Successor Agency's financial commitment provide sufficient funds for construction, Family House will pay the Block 7E Affordable Housing Fee within thirty days of such request provided all of the following have occurred (i) all conditions to close of escrow have been satisfied or waived by Family House and FOCIL on Block 7E (ii) FOCIL has deposited in escrow a grant deed conveying Block 7E to Family and authorized the recordation of such grant deed; and (iii) the date by which the Successor Agency requests the payment of the Block 7E Affordable Housing Fee is no earlier than January 15, 2014.

5. **Effective Date.** This Fourth Amendment shall take effect upon the later of (i) the full execution and delivery of this Fourth Amendment by the parties; (ii) the date the enacting Resolution is effective in accordance with Health and Safety Code Section 34179(h); and (iii) the date of final completion of all of the Transfer Milestones, as set forth in Section 6 below ("Effective Date"). This Fourth Amendment shall be deemed null and void if the Effective Date has not occurred by 5:00 p.m. California time on January 1, 2015, unless the parties mutually agree to extend the Effective Date, provided no such extension shall be for more than six months, there shall be no more than two such extensions approved and any such extensions may be approved by the Successor Agency Executive Director. Notwithstanding the preceding sentence, if the
Successor Agency has requested the Block 7E Affordable Housing Fee pursuant to Section 4.6 above prior to January 1, 2015 and the conditions set forth above for payment of the Block 7E Affordable Housing Fee have been met but Family House fails to pay the Block 7E Affordable Housing Fee pursuant to the Successor Agency's request, this Fourth Amendment shall be deemed null and void as of the date for payment of the Block 7E Affordable Housing Fee, unless the parties mutually agree to an extension.

6. **Transfer Milestones.** For purposes of this Fourth Amendment, the Transfer Milestones include the following:

   a. A grant deed, duly executed, acknowledged and deposited into escrow, conveying Block 7E from Owner to Family House.

   b. A restrictive covenant, substantially in the form attached hereto as Exhibit A, duly executed, acknowledged and deposited into escrow.

   c. An Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit B, duly executed, acknowledged and deposited into escrow.

   d. A notice of the termination and release of the Block 7E Option, ("Option Release"), substantially in the form attached hereto as Exhibit C, duly executed, acknowledged, and deposited into escrow.

   e. Payment of the Block 7E Affordable Housing Fee to the Successor Agency.

   f. Family House and Owner have acknowledged satisfaction or waiver of all conditions to close of escrow on Block 7E.
7. **General Provisions**

7.1. **South OPA in Full Force and Effect.** Except as otherwise amended hereby and as previously revised to reflect various non-material changes, all terms, covenants, conditions and provisions of the South OPA shall remain in full force and effect.

7.2. **Successors and Assigns.** This Fourth Amendment is binding upon and will inure to the benefit of the successors and assigns of the Former Agency, Successor Agency, the Owner, and, as applicable, the City, subject to the limitations set forth in the South OPA.

7.3. **Recitals.** The Recitals in this Fourth Amendment are included for convenience of reference only and are not intended to create or imply covenants under this Fourth Amendment. In the event of any conflict or inconsistency between the Recitals and the terms and conditions of this Fourth Amendment, the terms and conditions of this Fourth Amendment shall control.

7.4. **Counterparts.** This Fourth Amendment may be executed in any number of counterparts, all of which, together shall constitute the original agreement hereof.
IN WITNESS WHEREOF, the Successor Agency has caused this Fourth Amendment to be duly executed on its behalf and the Owner has signed or caused this Fourth Amendment to be signed by duly authorized persons, all as of the day first above written.

Authorized by Successor Agency Resolution
No. ____-13, adopted __________, 2013

SUCCESSOR AGENCY
Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic

By ______________________________________
Tiffany J. Bohee
Executive Director

FOCIL-MB, LLC, a Delaware limited liability company

By: ________________________________
Name: ________________________________
Title: ________________________________

Approved as to Form:

DENNIS J. HERRERA,
City Attorney as counsel to Successor Agency

By: ________________________________
Heidi J. Gewertz
Deputy City Attorney
EXHIBIT A

DECLARATION OF RESTRICTIONS
DECLARATION OF RESTRICTIONS

This Declaration of Restrictions ("Declaration") is made as of ______________, by FAMILY HOUSE, INC., a California non-profit public benefit corporation ("Owner"), in favor of the SUCCESSOR AGENCY TO THE FORMER SAN FRANCISCO REDEVELOPMENT AGENCY, a public body organized and existing under the laws of the State of California, ("Successor Agency"), commonly known as the Office of Community Investment and Infrastructure. The restrictions and covenants stated herein shall bind Owner and its successors and assigns ("Covenantor") and shall be enforceable by the Successor Agency.

In accordance with the Community Redevelopment Law of California (Health & Safety Code Section 33000 et seq.), the City and County of San Francisco (the “City”), acting through its Board of Supervisors and Mayor, approved a Redevelopment Plan for the Mission Bay South Redevelopment Project Area by Ordinance No. 335-98, adopted on November 2, 1998 (the "Redevelopment Plan"), which provides for the redevelopment, rehabilitation and revitalization of the area generally bounded by Seventh Street, Mariposa Street, original alignment of Terry Francois Boulevard and China Basin Channel and containing approximately 238 acres of land, as further described in Attachment 1 to the Redevelopment Plan (the "Plan Area").

The Plan Area includes that certain property located in San Francisco, California, and further described in Exhibit A attached hereto and incorporated herein by reference (the "Site"), and the Site is further subject to the terms and conditions of that certain Mission Bay South Owner Participation Agreement between The Redevelopment Agency of the City and County of San Francisco (the "Former Agency") and , Catellus Development Corporation, predecessor in interest to FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL"), dated as of November 16, 1998 (the "Original OPA"), as amended by a First Amendment to Mission Bay South Owner Participation Agreement dated February 17, 2004, a Second Amendment to Mission Bay South Owner Participation Agreement dated November 1, 2005, a Third Amendment to Mission Bay South Owner Participation Agreement dated ______________, and a Fourth Amendment to the Mission Bay South Owner Participation Agreement dated ______________ (as amended, the "OPA"). The Owner intends to develop on the Site a facility providing temporary housing primarily for patients and their families receiving treatment at University of California at San Francisco ("UCSF") Medical Center (the "Project").

Under California State Assembly Bill No. 1X26 (Chapter 5, Statutes of 2011-12, first Extraordinary Session), as amended by California State Assembly Bill No. 1484 (collectively, the "Dissolution Bills"), the Former Agency dissolved as a matter of law on February 1, 2012, and the Successor Agency established under the Dissolution Bills is successor in interest to the Former Agency’s regulatory role in, among other matters, reviewing and approving or disapproving proposed developments in the Plan Area and the Former Agency’s enforceable
obligations under the OPA, including its obligation to develop affordable housing in the Plan Area.

The Redevelopment Plan imposes certain restrictions on the Site and the Owner has agreed to the imposition of these restrictions on the Site in accordance with this Declaration.

A. From and after the date this Declaration is recorded in the Official Records of San Francisco County (the “Recording Date”) until that date that is seventy-five (75) years after the date of the certificate of final completion and occupancy ("Certificate of Occupancy") has been issued for a development on the Site, Covenantor shall only use the Site for the predevelopment uses permitted in the Redevelopment Plan, development of the Project, or the development of Dwelling Units (as defined in the Redevelopment Plan) that are Affordable (as defined in the Mission Bay South Housing Program of the South OPA) provided the Covenantor obtains an allocation of Dwelling Units from the Successor Agency and FOCIL and the Dwelling Units conform to the Mission Bay South Design for Development approved by the Former Agency by Resolution No. 191-98 on September 17, 1998, and Final Construction Documents (as defined in the OPA) (an "Approved Housing Project"); provided, however, that the Covenantor may use the Site for the development of a project with a similar nonprofit use to the Project if approved in advance by the Successor Agency Commission (“Alternative Project”).

This Section A shall remain in effect from the Recording Date until seventy-five (75) years following from the earlier to occur of (a) the issuance of a Certificate of Occupancy for the Project or an Alternative Project, or (b) the issuance of a Certificate of Occupancy for an Approved Housing Project ("Compliance Term").

B. If an Approved Housing Project is developed at the Site, the Dwelling Units shall be Affordable (the "Affordability Restriction") and Covenantor shall not make or permit any change from the use of the Site for the development, operation, maintenance, repair, and replacement of the Approved Housing Project, unless the express prior written consent for the change in use has been requested and obtained from Successor Agency.

This Section B shall remain in effect for the Compliance Term. The Affordability Restriction shall remain throughout the Compliance Term in first priority position with respect to record title for the Site and shall not be subordinated to the lien of any deed of trust or other financing.

C. Following the expiration of the Redevelopment Plan, the Covenantor agrees that any change in the Project (or the Alternative Project or the Approved Housing Project, if applicable) or the Site shall be consistent with the uses, height and bulk requirements of local land use controls in effect for the Site at the time of such change and all required approvals from the City and any other regulatory body with purview over the site will be acquired prior to any change to the Project.

This Section C shall remain in effect in perpetuity.

D. The Covenantor shall maintain, or cause to be maintained, in good condition the improvements on the Site and related areas, including the exterior of the Project, Alternative Project or Approved Housing Project, as applicable, landscaping located on the Site or any part thereof, and sidewalks, street trees and street furniture related to the Site, and shall repair, subject to the above-described obligation to restore, such improvements to the reasonable satisfaction of the Successor Agency in its regulatory capacity. Covenantor's obligations under this Section shall not apply to reasonable wear and tear.
This Section D shall remain in effect during the Compliance Term.

E. The Covenantor shall notify the Successor Agency at least fifteen (15) days before any proposed changes in the legal or beneficial ownership, or any other act or transaction resulting in any change in the ownership or in the relative distribution thereof, or with respect to the identity of the parties in control of the Site, of which the Covenantor or any of its officers or members have been notified or otherwise have knowledge or information. Any proposed transferee must assume and agree to, in writing for the Successor Agency’s benefit and binding on the transferee, its successors and assigns, all of obligations and all of the conditions and restrictions that remain in effect as provided in this Declaration of Restrictions; provided, however, that the Successor Agency shall retain its remedies against the transferee even if the transferee has not delivered the required assumption agreement.

This Section E shall remain in effect during the Compliance Term.

F. The Successor Agency’s remedies for violations of the covenants in this Declaration of Restrictions include any action permitted at law or in equity to cure or remedy the violation, including instituting proceedings to compel specific performance by the Covenantor. Prior to exercising any remedies allowed under this section, the Successor Agency shall provide the Covenantor with notice of such violation and a reasonable time to cure such violation or to commence to cure.

G. If any provision of this Declaration or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Declaration, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Declaration shall be valid and be enforceable to the full extent permitted by law, except to the extent that enforcement of this Declaration without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Declaration.

This Section G shall remain in effect during the Compliance Term.

H. Any notice, consent or approval required or permitted to be given under this Declaration shall be in writing and shall be deemed to have been given upon (i) hand delivery, against receipt, (ii) one (1) business day after being deposited with a reliable overnight courier service, next business day service requested, or (iii) two (2) business days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required. Notices to Covenantor, Successor Agency and FOCIL shall be delivered to each of the following addresses, or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above:

Family House:

Family House
50 Irving Street
San Francisco, CA 94122
Attention: Executive Director
Facsimile: (415) 502-0885
Telephone: (415) 476-1730
With copies to:

Goldfarb & Lipman, LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Facsimile: (510) 836-1035
Telephone: (510) 836-6336

Successor Agency:

Office of Community Investment and Infrastructure
1 South Van Ness Ave., 5th Floor
San Francisco, California 94103
Attn: Executive Director
Re: Mission Bay South Block 7 East

City and County of San Francisco
Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682
Re: Mission Bay South Block 7 East

FOCIL:

FOCIL-MB, LLC
c/o Mission Bay Development Group, LLC
410 China Basin Street
San Francisco, California 94158
Attention: Seth Hamalian and Legal Department
Facsimile: (415) 355-6666
Telephone: (415) 355-6635

Any consent or approval required to be given under this Declaration by the Successor Agency may be given by the Successor Agency Executive Director, unless otherwise identified above, and shall not require the approval of the Successor Agency Commission.

This Section H shall remain in effect during the Compliance Term.

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Covenantor hereby executes this Declaration as of the date first written above.

FAMILY HOUSE, INC., a California non-profit public benefit corporation

By: _____________________________________
Name: _____________________________________
Its: _____________________________________
State of California

County of San Francisco

On ________________, before me, ____________________________, a notary public in and for said State, personally appeared _____________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature ________________________ (Seal)
Exhibit A

Legal Description of Site
EXHIBIT B

ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT
ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT
(Mission Bay South – Land Use Block 7E)

THIS ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT (this "Agreement") effective as of ______________, 201__ (the "Effective Date"), is entered into by and among FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL"), FAMILY HOUSE, INC., a California nonprofit public benefit corporation ("Assignee"), and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco pursuant to State Assembly Bill No. 26 (ABX1 26), approved by Governor Brown on June 28, 2011, and filed with the California Secretary of State on June 29, 2011 (the "Successor Agency").

RECATALS:

A. In accordance with the Community Redevelopment Law of the State of California (Health & Safety Code Section 33000 et seq.), the City and County of San Francisco (the "City"), acting through its Board of Supervisors, has approved a Redevelopment Plan for the Mission Bay South Redevelopment Project by Ordinance No. 335-98 adopted by the Board of Supervisors on November 2, 1998. The Redevelopment Plan was recorded in the Office of the Recorder of the City and County of San Francisco (the "Official Records") on November 18, 1998, at Reel H264, Image 420, Series No. 98-G470337-00, and a Certificate of Correction thereto was recorded in the Official Records on January 20, 1999, at Reel H304, Image 513, Series No. 99-G501704-00. The Redevelopment Plan, as corrected and as it may be amended from time to time, is referred to herein as the "Mission Bay South Redevelopment Plan."

B. The Mission Bay South Redevelopment Plan provides for the redevelopment, rehabilitation and revitalization of the area generally bounded by the south embankment of the China Basin Channel and Seventh Street, Interstate 280, Mariposa Street, original alignment of Terry Francois Boulevard, and Third Street, as more particularly described in the Mission Bay South Redevelopment Plan (the "South Plan Area").

C. In order to facilitate the implementation of the Mission Bay South Redevelopment Plan, the former Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") and Catellus Development Corporation ("CDC"), entered into that certain Mission Bay South Owner Participation Agreement dated as of November 16, 1998 (the "Original South OPA"), regarding the development of the property within the South Plan Area then owned by CDC. The Original South OPA, as amended, is more particularly described in
Item 5 of the Development Entitlements listed in Exhibit "2" attached hereto (the "Development Entitlements"), which list is illustrative of the material documents and instruments governing development of property within the South Plan Area, but is not intended to be an exhaustive list of all documents, instruments, and/or other matters that may govern development of property within the South Plan Area. The Original South OPA, as so amended, and as it may be further amended from time to time, is herein referred to as the "South OPA" and, unless otherwise defined in this Agreement, all initially capitalized defined terms used in this Agreement shall have the respective meanings given them in the South OPA.

D. CDC’s rights, interests and obligations under the South OPA were transferred (1) to Catellus Operating Limited Partnership, a Delaware limited partnership, as the successor by merger to CDC, (2) then to Catellus Land and Development Corporation, a Delaware corporation ("CLDC"), through an Assignment, Assumption and Release Agreement dated December 31, 2003, and (3) ultimately to FOCIL, through an Assignment, Assumption and Release Agreement dated November 22, 2004.

E. On February 1, 2012, the Redevelopment Agency was dissolved pursuant to the provisions of California State Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”), codified in relevant part in California’s Health and Safety Code Sections 34161 – 34168 and upheld by the California Supreme Court in California Redevelopment Assoc. v. Matosantos, No. S194861 (Dec. 29, 2011). On June 27, 2012, AB 26 was subsequently amended in part by California State Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) (“AB 1484”) (together, AB 26 and AB 1484 are referred to as the “Redevelopment Dissolution Law”).

F. Pursuant to the Redevelopment Dissolution Law, all of the Redevelopment Agency’s assets and obligations were transferred to the Successor Agency. Accordingly, the Successor Agency assumed the obligations under the South OPA, which remains in effect.

G. The South OPA provides that, subject to the terms and conditions contained in Section 14 thereof, CDC (and any Transferee) shall have the right (1) to Transfer all or any portion of the South Plan Area during the Term of the South OPA; (2) to assign all or a portion of its rights and obligations under the South OPA to a Transferee; and (3) upon the Redevelopment Agency’s receipt of an Assumption Agreement duly executed by the Owner and the Transferee, and the Redevelopment Agency's execution of the release provision therein, to be released from the obligations of the "Owner" under the South OPA that are applicable to the portion of the South Plan Area so transferred but that are not intended to be retained by the Owner after the Transfer. In addition, Section 14.1(c) allows certain Transfers if the Redevelopment Agency approves the Transferee, which approval shall not be unreasonably withheld or delayed, provided the Redevelopment Agency may condition the approval in a manner consistent with Section 14.1(a)(4). The Successor Agency has determined that it is appropriate to approve a Transfer to Assignee, and for FOCIL to be released from the obligations of the "Owner" under the South OPA that are applicable to the Transferred Property, as set forth in Section 8 below, without requiring that Assignee meet the Net Worth or other requirements under Section 14.1(a), on the basis that (i) Assignee has engaged a development team with experience in developing major residential projects reasonably related to the development contemplated on the Transferred Property, (ii) the Transferred Property will be developed for a
beneficial, non-profit use, (iii) the Transfer and development of the Transferred Property will not impact the tax revenue assumptions for Tax Allocation Debt or trigger Additional Payments, as described in Recital H below, (iv) the Transfer will not adversely impact production of Affordable Housing Units under the South OPA and in fact will contribute substantial funds toward production of such units, (v) the Transfer does not impact the Mission Bay South Job Training and Hiring Fund, and (vi) the Transfer does not otherwise adversely impact the other items set forth in Section 14.1(a)(4) as further provided in Section 2.1 below. H. The Mission Bay South Financing Plan (Exhibit E to the South OPA), Section 4.a.iv, contains certain requirements with respect to Additional Payments that may be triggered, following the issuance of Tax Allocation Debt, to ensure that a reassessment or other event does not reduce property tax revenues levied on property owned by Owner or its transferees. The Successor Agency has determined that the obligations of Owners and Transferees under Section 4.a.iv do not apply to the Transferred Property because it has been assumed as a (tax-exempt) Agency Affordable Housing Parcel for Tax Allocation Debt revenue projection purposes. Accordingly, the Successor Agency has also determined that any requirement of a Tax Allocation Debt Promissory Note or Guaranty Agreement to cover the Additional Payment obligations as governed by Section 4.a.iv of the South Financing Plan is inapplicable with regard to the Transferred Property, as further provided in Section 8 below.

I. FOCIL and Assignee are parties to that certain Mission Bay South Transfer Agreement and Joint Escrow Instructions (Mission Bay Block 7E) dated as of ________________, 2013 (the “Transfer Agreement”), pursuant to which FOCIL has agreed to transfer to Assignee, and Assignee has agreed to acquire from FOCIL, certain real property located within the South Plan Area, commonly known as Mission Bay South Land Use Block 7E (the "Transferred Property"), upon the terms and conditions therein set forth. The Transferred Property is more particularly described in Exhibit "1" attached hereto and made a part hereof.

J. In connection with the transfer of the Transferred Property to Assignee, FOCIL desires to assign to Assignee as of the Effective Date certain of the rights and obligations of the Owner under the South OPA applicable to the Transferred Property, and Assignee is willing to accept from FOCIL such assignment and to assume such obligations, on the terms and conditions set forth in the South OPA and this Agreement.

K. In connection with the assignment and assumption of FOCIL's rights and obligations under the South OPA applicable to the Transferred Property as provided in this Agreement, FOCIL desires to be released by the Successor Agency from FOCIL's obligations under the South OPA applicable to the Transferred Property (except as expressly provided below); and the Successor Agency is willing to release FOCIL from such obligations on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Successor Agency, FOCIL and Assignee agree as follows:
1. **Reaffirmation of Obligations.** FOCIL, for the benefit of the Successor Agency, reaffirms its obligation to perform the Excluded Obligations (as defined in Paragraph 2.1 below) to the extent such Excluded Obligations remain unfulfilled as of the Effective Date.

2. **Assignment by FOCIL.**

   2.1 **Transferred and Excluded Rights and Obligations.** FOCIL hereby assigns to Assignee as of the Effective Date all of the rights and obligations of the Owner under the South OPA to the extent applicable to the Transferred Property; except, however, FOCIL and Assignee agree that such assignment shall not include or affect the following:

   (a) **Owner's Consent.** FOCIL's right to grant or deny "Owner's Consent" to an amendment to the Mission Bay South Redevelopment Plan or the Plan Documents with respect to the South Plan Area, except and only to the extent an amendment arises under Subsection 3.8(b) or 3.8(c) of the South OPA that would directly, adversely and materially affect the rights of Assignee therein described with respect to the Transferred Property, and, in such an event, Assignee's rights to consent shall be strictly limited as provided in Subsection 3.8(d) of the South OPA;

   (b) **Owner's Representative.** FOCIL's right to act as or to designate the "Owner's Representative" under the South OPA, including under the Financing Plan (attached to the South OPA as Attachment E);

   (c) **Infrastructure.** FOCIL's obligation to construct Infrastructure or other Improvements (excluding the proposed development to be constructed by Assignee on the Transferred Property) in connection with the development of the Transferred Property in accordance with the Mission Bay South Infrastructure Plan (attached to the South OPA as Attachment D) (the "Infrastructure Plan") or the Mission Bay South Scope of Development (attached to the South OPA as Attachment B);

   (d) **Odor Control Improvements.** FOCIL's obligations relating to funding the Odor Control Improvements in accordance with the Infrastructure Plan;

   (e) **Delivery of Affordable Housing Parcels and Funding of Affordable Housing Loan Fund.** FOCIL's rights and obligations relating to delivery of the Agency Affordable Housing Parcels and funding the South Affordable Housing Loan Fund in accordance with the Mission Bay South Housing Program (attached to the South OPA as Attachment C) (the "Housing Program");

   (f) **First Source Hiring Fund.** FOCIL's obligations relating to funding the Mission Bay South Job Training and Hiring Fund (also referred to as the First Source Hiring Fund) in accordance with the Mission Bay South Program in Diversity/Economic Development Program (attached to the South OPA as Attachment H) (the "Diversity Program");

   (g) **Environmental and Response Program.** FOCIL's obligations under the South Environmental Investigation and Response Program (attached to the South OPA as Attachment K);
(h) **Fire Station.** FOCIL's obligations to augment the existing City-owned fire station pursuant to Section 4.4 of the South OPA;

(i) **Open Space Parcels.** FOCIL's obligations to construct Improvements to the Open Space Parcels in accordance with the Infrastructure Plan;

(j) **School Obligations.** FOCIL's obligations to convey or cause to be conveyed the school site and school play-yard pursuant to Section 4.5 of the South OPA; or

(k) **Indemnities.** FOCIL's obligations with respect to (i) any indemnities contained in the South OPA (including, without limitation, the indemnities contained in Section 15.1 of the South OPA) with respect to any property within the South Plan Area that FOCIL continues to own from and after the Effective Date, (ii) any liability under any indemnities contained in the South OPA (including, without limitation, the indemnities contained in Section 15.1 of the South OPA) with respect to the Transferred Property that arose or accrued prior to the Effective Date, and (iii) any default in any obligation to pay money in connection with the obligations of Owner under the South OPA applicable to the Transferred Property where such default occurred prior to the Effective Date. FOCIL and Assignee acknowledge and agree that the indemnities set forth in Paragraphs 4.1 and 4.2 below are effective only from and after the Effective Date and only with respect to the Transferred Property and the Transferred Obligations (as defined in Paragraph 3.1 below).

The rights reserved by FOCIL in clauses (a), (b) and (e) above are, collectively, herein referred to as the "Excluded Rights"; the obligations described in clauses (c) through (k) above are, collectively, herein referred to as the "Excluded Obligations"; and the Excluded Rights and Excluded Obligations are sometimes, collectively, herein referred to as the "Excluded Rights and Obligations".

2.2 **FOCIL's Indemnification.** FOCIL hereby agrees to protect, defend and indemnify Assignee, Assignee's parent, affiliated and subsidiary companies, and Assignee's or such companies' officers, directors, shareholders, agents, employees and attorneys, and their respective successors and assigns (collectively, "Assignee Affiliates") against, and to hold Assignee and Assignee Affiliates harmless from, any and all "Losses" (as defined in Paragraph 4.1 below) asserted against or incurred by Assignee or any Assignee Affiliates by the Successor Agency in connection with or arising out of FOCIL's violation of or failure to fully satisfy, perform and observe each and all of the Excluded Obligations. Assignee agrees to use commercially reasonable efforts to give prompt notice to FOCIL with respect to any suit or claim initiated or threatened against Assignee or Assignee Affiliates against which FOCIL is obligated to indemnify such person or entity hereunder, and in no event later than the earlier of (A) ten (10) days after valid service of process as to any filed suit or (B) fifteen (15) days after receiving written notification of the filing of any such suit or the assertion of any claim that Assignee has reason to believe is likely to give rise to a claim for indemnity hereunder. If prompt notice is not given to FOCIL, then FOCIL's liability hereunder shall terminate as to the matter for which such notice is not given, provided that failure to notify FOCIL shall not affect the rights of Assignee or the obligations of FOCIL hereunder unless FOCIL is prejudiced by such failure, and then only to the extent of such prejudice. FOCIL shall, at its option but subject to the reasonable consent and approval of Assignee, be entitled to control, through counsel of FOCIL's own choice, the
defense, compromise or settlement of any such suit or claim initiated or threatened against Assignee or Assignee Affiliates against which FOCIL is obligated to indemnify such person or entity hereunder; provided, however, that in all cases Assignee shall be entitled to participate in such defense, compromise or settlement at its own expense. If, however, in Assignee's reasonable judgment, FOCIL shall fail to take reasonable and appropriate action to defend, compromise or settle such suit or claim within a reasonable time following notice from Assignee alleging such failure, Assignee shall have the right to promptly hire counsel, at FOCIL's sole expense, to carry out such defense, compromise or settlement, in which event FOCIL shall (without limiting FOCIL's obligations under this Paragraph 2.2) pay to Assignee (within ten (10) days following receipt by FOCIL of a properly detailed invoice therefor) all reasonable attorneys' fees and costs relating thereto.

3. **Assumption by Assignee.**

3.1 **Assumption.** With the exception of the Excluded Rights and Obligations, Assignee hereby accepts all of the rights of the Owner under the South OPA to the extent applicable to the Transferred Property, and Assignee hereby assumes and agrees to be bound by and perform, as a direct obligation of Assignee to the Successor Agency, each and all of the obligations, terms, covenants and agreements of the Owner under the South OPA to the extent applicable to the Transferred Property, including, without limitation, obligations to comply with the requirements of the First Source Hiring Program, the Successor Agency’s Small Business Enterprise Policy, and the Mission Bay South Transportation Management Plan other than participation in the Transportation Management Association (attached to the South OPA as Attachment M) (collectively, the "Transferred Obligations"). With respect to the CEQA Mitigation Measures, the Transferred Obligations shall only include the CEQA Mitigation Measures as set forth in Exhibit “3” attached hereto. Pursuant to Section 8.1, the Additional Payments Obligations do not apply to the Transferred Property, are not Transferred Obligations, and are not assumed by Assignee.

3.2 **Assignee's Indemnification.** Assignee hereby agrees to protect, defend and indemnify FOCIL, FOCIL's parent, affiliated and subsidiary companies, and FOCIL's or such companies' officers, directors, shareholders, agents, employees and attorneys, and their respective successors and assigns (collectively, "FOCIL Affiliates") against, and to hold FOCIL and FOCIL Affiliates harmless from, any and all Losses asserted against or incurred by FOCIL or any FOCIL Affiliates in connection with or arising out of Assignee's violation of or failure to fully satisfy, perform and observe each and all of the Transferred Obligations. FOCIL agrees to use commercially reasonable efforts to give prompt notice to Assignee with respect to any suit or claim initiated or threatened against FOCIL or FOCIL Affiliates against which Assignee is obligated to indemnify such person or entity hereunder, and in no event later than the earlier of (a) ten (10) days after valid service of process as to any filed suit or (b) fifteen (15) days after receiving written notification of the filing of any such suit or the assertion of any claim that FOCIL has reason to believe is likely to give rise to a claim for indemnity hereunder. If prompt notice is not given to Assignee, then Assignee's liability hereunder shall terminate as to the matter for which such notice is not given, provided that failure to notify Assignee shall not affect the rights of FOCIL or the obligations of Assignee hereunder unless Assignee is prejudiced by such failure, and then only to the extent of such prejudice. Assignee shall, at its option but subject to the reasonable consent and approval of FOCIL, be entitled to control, through counsel
of Assignee's own choice, the defense, compromise or settlement of any such suit or claim initiated or threatened against FOCIL or FOCIL Affiliates against which Assignee is obligated to indemnify such person or entity hereunder; provided, however, that in all cases FOCIL shall be entitled to participate in such defense, compromise or settlement at its own expense. If, however, in FOCIL's reasonable judgment, Assignee shall fail to take reasonable and appropriate action to defend, compromise or settle such suit or claim within a reasonable time following notice from FOCIL alleging such failure, FOCIL shall have the right to promptly hire counsel, at Assignee's sole expense, to carry out such defense, compromise or settlement, in which event Assignee shall (without limiting Assignee's obligations under this Paragraph 3.2) pay to FOCIL (within ten (10) days following receipt by Assignee of a properly detailed invoice therefor) all reasonable attorneys' fees and costs relating thereto.

3.3 Assignee's Acknowledgment. In accordance with the requirements of Section 1.14 of the South OPA, Assignee hereby acknowledges that it has reviewed the South OPA and, subject to the Excluded Rights and Obligations, agrees to be bound by the South OPA and all conditions and restrictions applicable to the Transferred Property, including, without limitation, all conditions and restrictions contained in the Plan Documents and the Development Entitlements that are applicable to the Transferred Property.


4.1 General Indemnification. Except as provided in Section 15.4 of the South OPA, Assignee agrees to and shall indemnify, defend, and hold the Successor Agency and its respective commissioners, members, officers, employees, agents, successors and assigns, harmless from and against all claims, demands, losses, liabilities, damages, liens, obligations, interests, injuries, penalties, fines, lawsuits or other proceedings, judgments and awards and costs and expenses (including reasonable attorneys' fees and costs and consultant fees and costs and court costs) of whatever kind or nature, known or unknown, contingent or otherwise, including the reasonable costs to the Successor Agency of carrying out the terms of any judgment, settlement, consent, decree, stipulated judgment or other partial or complete termination of an action or procedure that requires the Successor Agency to take any action (collectively, "Losses") arising from or as a result of (i) the noncompliance of any Improvements on the Transferred Property with any Federal, state or local laws or regulations, including those relating to handicap access, or (ii) the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which shall occur in or on the Transferred Property and which shall be directly or indirectly caused by the negligent act or omission of Assignee or its agents, servants, employees or contractors, except to the extent such Losses are directly or indirectly caused by the negligent act or omission or willful act of the Successor Agency or its respective commissioners, members, officers, employees, agents, successors and assigns including the negligence or other actionable misconduct of the Successor Agency, acting (or failing to act) in its governmental capacity, in the exercise of its police powers.

4.2 Contracts and Agreements. In addition to the foregoing, Assignee shall defend, hold harmless and indemnify the Successor Agency and its respective commissioners, members, officers, agents and employees of and from all Losses arising directly or indirectly out of or connected with contracts or agreements entered into by Assignee in connection with its
performance of the Transferred Obligations, except to the extent caused by the willful misconduct or the negligence of the Successor Agency, or arising from obligations to the Successor Agency, City or any City Agency arising under the Diversity Program or arising from compliance with Section 19.33 of the South OPA.

4.3 **Indemnities.** The indemnities set forth in Paragraphs 4.1 and 4.2 above are intended to have the same force, effect, meaning, and import as the indemnities set forth in Section 15.1 of the South OPA, limited, however, to the Transferred Property and the Transferred Obligations.

5. **Representations and Warranties of FOCIL.** FOCIL hereby makes the following representations and warranties to Assignee and to the Successor Agency as of the Effective Date:

5.1 **South OPA.** The South OPA is unmodified and in full force and effect.

5.2 **No Default.** To the actual knowledge of FOCIL, no default on the part of FOCIL, and no breach or failure of condition that, with notice or lapse of time or both, would constitute a default on the part of FOCIL, exists under the South OPA with respect to the Transferred Property.

5.3 **No Set-offs.** To the actual knowledge of FOCIL, there are no set-offs or defenses against the enforcement of any right or remedy, or any duty or obligation, of the Successor Agency or FOCIL.

5.4 **No Termination Right.** FOCIL currently has no right to terminate the South OPA pursuant to Section 12.2(a) or 12.2(c) of the South OPA.

5.5 **Consents.** FOCIL has obtained all consents to the assignments and transfers of the Transferred Property to Assignee that may be required by any agreement to which FOCIL is a party. Other than the consents so obtained, no consent to the Transfer of the Transferred Property to Assignee is required under any agreement to which FOCIL is a party or by which the Transferred Property is bound (other than the South OPA).

5.6 **No Conflict.** The execution, delivery, and performance by FOCIL of this Agreement (i) will not contravene any legal requirements applicable to FOCIL or the Transferred Property, (ii) will not conflict with, breach or contravene any other agreement binding upon FOCIL or the Transferred Property, and (iii) will not result in the creation or imposition of any liens on any portion of the Transferred Property (except as may be permitted under the terms of the South OPA).

6. **Representations and Warranties of Assignee.** Assignee hereby makes the following representations and warranties to FOCIL and to the Successor Agency as of the Effective Date:

6.1 **No Successor Agency Representations.** Assignee has reviewed and is familiar with the terms and conditions of the South OPA. Assignee recognizes and acknowledges that, except as expressly provided in Paragraph 7 below, the Successor Agency makes no representation or warranty hereby, express or implied, regarding the amount, nature or
extent of any obligation, liability or duty under the South OPA with regard to the Transferred Property. Assignee understands and acknowledges that (i) Assignee is responsible for satisfying itself as to the existence and extent of the Transferred Obligations, and (ii) in accordance with the representations made by the Successor Agency in Paragraph 7 below, the Successor Agency has not agreed to any amendment of any provision of the South OPA with regard to the Transferred Property, and except as expressly provided herein or in the South OPA, the Successor Agency has not waived any right of the Successor Agency or obligation of Owner under the South OPA with respect to the Transferred Property.

6.2 **Consents.** Assignee has obtained all consents in connection with its assumption of the Transferred Obligations and for its acquisition of the Transferred Property that may be required by any agreement to which it is a party. Other than the consents so obtained, no consent to the acquisition of the Transferred Property is required under any agreement to which Assignee is a party.

6.3 **No Conflict.** The execution, delivery, and performance by Assignee of this Agreement and the Transferred Obligations (i) will not contravene any legal requirements applicable to Assignee, (ii) will not conflict with, breach or contravene any other agreement binding upon Assignee, and (iii) will not result in the creation or imposition of any liens on any portion of the Transferred Property (except as may be permitted under the terms of the South OPA).

6.4 **Litigation.** To the current actual knowledge of Assignee, there are no actions, suits or proceedings at law or in equity or by or before any governmental authority pending or threatened against or affecting Assignee, in which there is a reasonable possibility of a determination adverse to Assignee and that are reasonably likely, individually or in the aggregate, if determined adversely to Assignee, to have a material adverse effect on the ability of Assignee to perform the Transferred Obligations.

6.5 **Developer Experience.** Assignee has engaged a development team with experience in developing major projects reasonably related to the proposed development contemplated on the Transferred Property.

7. **Representations and Warranties of Successor Agency.** The Successor Agency hereby makes the following representations and warranties to FOCIL and Assignee as of the Effective Date:

7.1 **South OPA.** The South OPA is in full force and effect, and the Successor Agency has not agreed to any amendment of any provision of the South OPA with respect to the Transferred Property.

7.2 **No Waiver.** Except as expressly provided herein or in the South OPA, the Successor Agency has not waived any right of the Successor Agency or any obligation of Owner under the South OPA with respect to the Transferred Property.

7.3 **No Default.** To the actual knowledge of the Successor Agency, no default on the part of FOCIL, and no breach or failure of condition that, with notice or lapse of time or
both, would constitute a default on the part of FOCIL, exists under the South OPA with respect to the Transferred Property.

7.4 **No Set-offs.** To the actual knowledge of the Successor Agency, there are no set-offs or defenses against the enforcement of any right or remedy, or any duty or obligation, of the Successor Agency or FOCIL.

7.5 **No Termination Right.** To the actual knowledge of the Successor Agency, the Successor Agency currently has no right to terminate the South OPA pursuant to Section 12.2(b) or 12.2(c) of the South OPA.

8. **Release of FOCIL.**

8.1 **Approval of Transfer.** The Successor Agency approves Assignee as the Transferee of the Transferred Property and the Transferred Obligations, and in accordance with Section 14.1(c) of the South OPA, the Successor Agency hereby agrees to release FOCIL and FOCIL Affiliates from the Transferred Obligations, as more particularly set forth in Paragraph 8.2 below. The Successor Agency further agrees and acknowledges that (a) South OPA Financing Plan Section 4.a.iv, including but not limited to the requirements regarding Additional Payments, the Mission Bay South Tax Allocation Debt Promissory Note, and the Mission Bay South Tax Allocation Debt Guaranty Agreement (collectively, the "**Additional Payments Obligations**"), do not apply to the Transferred Property and are not Transferred Obligations, because the Transferred Property has been assumed as a (tax-exempt) Agency Affordable Housing Parcel for Tax Allocation Debt revenue projection purposes and the Successor Agency hereby agrees to release FOCIL and FOCIL Affiliates from the Additional Payments Obligations; and (b) the CEQA Mitigation Measures identified in Exhibit 3 and assumed by Transferee are the only CEQA Mitigation Measures that apply to the Transferred Property, and the Successor Agency hereby agrees to release FOCIL and FOCIL Affiliates from obligations to comply with CEQA Mitigation Measures with respect to the Transferred Property.

8.2 **Successor Agency Release.** The Successor Agency hereby unconditionally and irrevocably fully releases and discharges FOCIL and FOCIL Affiliates from the Transferred Obligations and the Additional Payments Obligations. Without limiting the generality of the foregoing, the Successor Agency acknowledges and agrees that neither FOCIL nor FOCIL Affiliates shall be liable for any default by Assignee with respect to the Transferred Obligations and the Additional Payments Obligations, and no default by Assignee with respect to the Transferred Obligations shall entitle the Successor Agency to modify or terminate the South OPA, or otherwise affect any rights thereunder, with respect to any portion of the South Plan Area other than the Transferred Property. With respect to the foregoing release, the Successor Agency hereby acknowledges that such release is made with the advice of counsel and with full knowledge and understanding of the consequences and effects of such release. Further, as to unknown and unsuspected claims as of the Effective Date, the Successor Agency hereby acknowledges that such release is made with the full knowledge, understanding and agreement that California Civil Code § 1542 provides as follows, and the Successor Agency hereby agrees that the protection afforded by said Code Section and any similar law of the State of California or any other jurisdiction is specifically waived:
"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

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

By: ______________________

8.3 Successor Agency's Acknowledgment. Without in any way modifying, limiting, or expanding the provisions of Section 14.2 of the South OPA, the Successor Agency hereby confirms that, pursuant to such Section 14.2, (a) Assignee shall not be liable for any default by FOCIL or any other Transferee in the performance of their respective obligations under the South OPA including the Excluded Obligations, and (b) without limiting the foregoing, a default under the South OPA by FOCIL or any other Transferee shall not entitle the Successor Agency to modify or terminate the South OPA, or otherwise affect any rights under the South OPA, with respect to the Transferred Property.


9.1 Attorneys' Fees.

(a) Should any party hereto institute any action or proceeding in court or other dispute resolution mechanism ("DRM") to enforce any provision hereof or for damages by reason of an alleged breach of any provision hereof, the prevailing party(ies) shall be entitled to receive from the losing party(ies) court or DRM costs or expenses incurred by the prevailing party(ies) including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as the court or DRM may adjudge to be reasonable attorneys' fees for the services rendered the prevailing party(ies) in such action or proceeding. Attorneys' fees under this Paragraph 9.1 include attorneys' fees on any appeal, and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action.

(b) For purposes of this Agreement, reasonable fees of attorneys and any in-house counsel for the Successor Agency, FOCIL or Assignee shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which the party's in-house counsel's services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the City, or, in the case of FOCIL's or Assignee's in-house counsel, as employed by the outside counsel for FOCIL or Assignee, respectively.
9.2 Notices. A notice or communication under this Agreement by any party to any other party shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

(a) in the case of a notice or communication to the Successor Agency,

    Office of Community Investment and Infrastructure as
    Successor Agency to the San Francisco Redevelopment Agency
    1 South Van Ness Avenue, Fifth Floor
    San Francisco, CA 94102
    Attention: Executive Director
    Facsimile No.: (415) 749-2525
    Telephone No.: (415) 749-2400

    with copies to:

    Office of the City Attorney
    City Hall, Room 234
    1 Dr. Carlton B. Goodlett Place
    San Francisco, CA 94102
    Attention: Robert A. Bryan, Esq.
    Facsimile No.: (415) 554-4747
    Telephone No.: (415) 554-4700

(b) in the case of a notice or communication to FOCIL,

    FOCIL-MB, LLC
    c/o Mission Bay Development Group, LLC
    410 China Basin St.
    San Francisco, California 94158-1533
    Attention: Seth Hamalian and Legal Department
    Facsimile No.: (415) 355-6692
    Telephone No.: (415) 355-6612

    with copies to:

    Coblentz, Patch, Duffy & Bass LLP
    One Ferry Building, Suite 200
    San Francisco, California 94111
    Attention: Alan C. Gennis, Esq.
    Facsimile No.: (415) 989-1663
    Telephone No.: (415) 677-5209
and

FOCIL-MB, LLC
c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 2100
San Francisco, California  94111
Attention: Richard B. Fried and Joshua Dapice
Facsimile No.:  (415) 956-8852
Telephone No.: (415) 421-2151

and

Pircher, Nichols & Meeks
1925 Century Park East, Suite 1700
Los Angeles, California  90067
Attention: Real Estate Notices (SAC/SAG – 903297.1)
Facsimile No.:  (310) 201-8922

(c)  in the case of a notice or communication to Assignee,

Family House, Inc.
50 Irving Street
San Francisco, CA  94122
Attention: Executive Director
Telefacsimile: (415) 502-0885
Telephone: (415) 476-1730

With copies to:

Goldfarb & Lipman, LLP
1300 Clay Street, 11th Floor
Oakland, CA  94612
Attention: Karen Tiedemann
Telefacsimile: (510) 836-1035
Telephone: (510) 836-6336

For the convenience of the parties, copies of notices may also be given by telefacsimile.

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

(i)   the Section of the South OPA (or this Agreement) pursuant to which the notice is given and the action or response required, if any;

(ii)   if applicable, the period of time within which the recipient of the notice must respond thereto;
(iii) if applicable, that the failure to object to the notice within a stated time period will be deemed to be the equivalent of the recipient's approval or disapproval of or consent to the subject matter of the notice;

(iv) if approval is being requested, shall be clearly marked "Request for Approval"; and

(v) if a notice of a disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

(e) Any mailing address or telefacsimile number 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 Agreement 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. No party may give official or binding notice by telefacsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a telefacsimile copy of the notice.

9.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective executors, administrators, successors and assigns.

9.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one instrument. It shall not be necessary in making proof of this Agreement to account for more than one counterpart.

9.5 Captions. Any captions to, or headings of, the Paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

9.6 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

9.7 Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference for all purposes.

9.8 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

9.9 Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

9.10 Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.
9.11 **Partial Invalidity.** If any portion of this Agreement as applied to any party or to any circumstances shall be adjudged by a court to be void or unenforceable, such portion shall be deemed severed from this Agreement and shall in no way effect the validity or enforceability of the remaining portions of this Agreement.

9.12 **Independent Counsel.** Each party hereto acknowledges that: (a) they have been represented by independent counsel in connection with this Agreement; (b) they have executed this Agreement with the advice of such counsel; and (c) this Agreement is the result of negotiations between the parties hereto and the advice and assistance of their respective counsel. The fact that this Agreement was prepared by FOCIL's counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against FOCIL because FOCIL's counsel prepared this Agreement in its final form.

[The remainder of this page has been intentionally left blank]
IN WITNESS WHEREOF, the Successor Agency has caused this Agreement to be duly executed on its behalf, and FOCIL and Assignee have signed or caused this Agreement to be signed by a duly authorized person, all as of the Effective Date.

Approved as to form:

Dennis J. Herrera,
City Attorney as counsel to the Successor Agency

By: __________________________
Name: __________________________
Title: __________________________

Heidi J. Gewertz
Deputy City Attorney

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: __________________________
Title: __________________________

FOCIL-MB, LLC,
a Delaware limited liability company

By: FARALLON CAPITAL MANAGEMENT, L.L.C., a Delaware limited liability company
Its Manager

By: __________________________
Name: __________________________
Title: __________________________

[Signatures continue on next page]
FAMILY HOUSE, INC.,  
a California nonprofit public benefit corporation

By: ___________________________________  
   Alexandra E. Morgan  
   Executive Director
STATE OF CALIFORNIA )
COUNTY OF _____________________ ) ss

On ____________________, before me, ____________________________, Notary Public,
personally appeared _______________________________, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument, and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

__________________________________________
Notary Public

(Seal)

STATE OF CALIFORNIA )
COUNTY OF _____________________ ) ss

On ____________________, before me, ____________________________, Notary Public,
personally appeared _______________________________, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
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foregoing paragraph is true and correct.

WITNESS my hand and official seal.

__________________________________________
Notary Public

(Seal)
STATE OF CALIFORNIA )
COUNTY OF _____________________ ) ss

On ____________________, before me, ____________________________, Notary Public,
personally appeared _______________________________, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument, and acknowledged to me that he/she/they executed the same in his/her/their
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WITNESS my hand and official seal.

__________________________________________
Notary Public

(Seal)

STATE OF CALIFORNIA )
COUNTY OF _____________________ ) ss

On ____________________, before me, ____________________________, Notary Public,
personally appeared _______________________________, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
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the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

__________________________________________
Notary Public

(Seal)
EXHIBIT "1"

LEGAL DESCRIPTION OF PROPERTY
EXHIBIT "2"

DEVELOPMENT ENTITLEMENTS

The following constitute the Development Entitlements:

1. The Mission Bay South Redevelopment Plan adopted on November 2, 1998, by the San Francisco Board of Supervisors by Ordinance No. 335-98, as amended from time to time.


3. The Mission Bay Subdivision Ordinance adopted on October 26, 1998, by the San Francisco Board of Supervisors by Ordinance No. 329-98.

4. The Mission Bay Subdivision Regulations adopted by the Department of Public Works on November 18, 1998, as amended from time to time.

5. The Mission Bay South Owner Participation Agreement authorized by the San Francisco Redevelopment Agency on September 17, 1998, by Resolution No. 193-98 and dated November 16, 1998, by and between the San Francisco Redevelopment Agency and Catellus Development Corporation, including all Attachments thereto, as amended by the First Amendment To Mission Bay South Owner Participation Agreement dated February 17, 2004, by and between the San Francisco Redevelopment Agency and Catellus Land and Development Corporation, by the Second Amendment To Mission Bay South Owner Participation Agreement dated November 1, 2005, by and among the San Francisco Redevelopment Agency, Catellus Operating Limited Partnership and FOCIL-MB, LLC, by the Third Amendment to Mission Bay South Owner Participation Agreement dated ______, 2013, by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco ("Successor Agency") and FOCIL-MB, LLC, and the Fourth Amendment to Mission Bay South Owner Participation Agreement dated ______, 2013, by and between the Successor Agency and FOCIL-MB, LLC, as any of the foregoing may be amended from time to time.


7. Mission Bay South Plan Area Streetscape Master Plan dated December 15, 1999, as approved by the San Francisco Redevelopment Agency Commission by Resolution No. 06-2000, as amended from time to time.

8. Signage Master Plan Application dated June 27, 2000, as approved by the San Francisco Redevelopment Agency Commission by Resolution No. 101-2000, as amended from time to time.

10. The Covenant and Environmental Restriction on Property by Catellus Development Corporation made for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region dated February 23, 2000, and recorded in the Official Records of the City and County of San Francisco as Document No. 2000-G748552.

11. Transportation Management Association Strategic Plan and Organizational Structure dated May 5, 1999, as amended from time to time.

12. Permit No. 5-00 dated December 12, 2000, executed by San Francisco Bay Conservation and Development Commission recorded March 7, 2001 in the Official Records of the City and County of San Francisco as Document No. 2001-G912515-00, as amended from time to time.
EXHIBIT "3"

APPLICABLE MITIGATION MEASURES
### Mitigation Measures

<table>
<thead>
<tr>
<th>Mitigation Measures</th>
<th>Mitigation Response</th>
<th>Responsible (Other)</th>
<th>Mitigation Schedule</th>
<th>Implementation Procedures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D.47 TRANSPORTATION SYSTEM MANAGEMENT (TSM) PLAN</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>E.47e. Secure Bicycle Parking</strong></td>
<td>7E Owner</td>
<td>S.A.</td>
<td>As identified by TMA; ongoing review with Agency</td>
<td>See implementation procedures identified for Mitigation Measure E.47.</td>
</tr>
<tr>
<td><strong>H.03 COMPREHENSIVE PREPAREDNESS AND RESPONSE PLAN</strong></td>
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<tr>
<td><strong>H.03b. In addition to the Project Area-wide plan, require each building or complex in the Project Area to prepare an emergency response plan. Each plan would be the responsibility of the owner(s) of each building or complex, and would be reviewed by the City periodically to ensure it is kept up to date.</strong></td>
<td>7E Owner</td>
<td>S.A.</td>
<td>Office of Emergency Services (OES)</td>
<td>Include in Project level response plan; update as necessary</td>
</tr>
<tr>
<td><strong>Tentative Map</strong></td>
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<tr>
<td><strong>H.07 CORROSIVITY</strong></td>
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</tr>
<tr>
<td><strong>H.07 Test soils for sulfate and chloride content. If necessary, use admixtures in concrete so it would not be susceptible to attack by sulfates, and/or use coated metal pipes so that pipes would be more resistant to corrosion by chlorides.</strong></td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Including in relevant Infrastructure Improvement plans</td>
<td>1. In conjunction with building permit review applicant shall submit a soils report which analyzes soil for sulfate and chloride content.</td>
</tr>
</tbody>
</table>
### MISSION BAY MITIGATION MEASURES

#### Block 7E

<table>
<thead>
<tr>
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</tr>
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<tbody>
<tr>
<td>K.06 STRUCTURE PLACEMENT AND DESIGN TO MINIMIZE DANGERS OF FLOODING</td>
<td></td>
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</tr>
<tr>
<td>K.06c. Provide for dewatering basements to the extent applicable to project.</td>
<td>7E Owner (but only to the extent that it builds a basement)</td>
<td>DBI; DPW</td>
<td>Submit as part of site permit review; check elevation as part of Tentative Map review</td>
<td>See implementation procedures identified for Mitigation Measure K.06.</td>
</tr>
<tr>
<td>K.06f. Use half-basements and partially depressed garage levels to minimize excavation, to the extent applicable to project</td>
<td>7E Owner (but only to the extent applicable)</td>
<td>DBI; DPW</td>
<td>Submit as part of site permit review; check elevation as part of Tentative Map review</td>
<td>See implementation procedures identified for Mitigation Measure K.06.</td>
</tr>
<tr>
<td>M.04 SEWERS AND WASTEWATER TREATMENT</td>
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<tr>
<td>M.04. Construct a fence around any interim surface detention basins, if applicable.</td>
<td>7E Owner</td>
<td>S.A.</td>
<td>DPW During construction and operation of basins</td>
<td>During construction and operations of basins</td>
</tr>
<tr>
<td>D.01 LIGHTING AND GLARE</td>
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<tr>
<td>D.01. Design parking structure lighting to minimize off-site glare. The design could include 45-degree cutoff angles on light fixtures to focus light within the site, and specifications that spill lighting from parking areas would be 0.25 foot-candle or less at 5 feet from the property line of the parking areas. Applies to individual sites within the Project Area.</td>
<td>7E Owner</td>
<td>S.A.</td>
<td>DBI</td>
<td>Submit design specifications as part of plan review and site permit processes</td>
</tr>
</tbody>
</table>
### MISSION BAY MITIGATION MEASURES

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<tr>
<td></td>
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<td>review and approval.</td>
<td>4. Owner/other developers to construct project structures and implement lighting plan.</td>
</tr>
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<td>5. DBI to inspect project structures and lighting for light and glare impacts.</td>
</tr>
<tr>
<td><strong>D.07 PEDESTRIAN-LEVEL WINDS</strong></td>
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<td>1. Condition Major Phase to require wind evaluation and provide any required study and documentation of findings as part of Project-level submission.</td>
</tr>
<tr>
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<td>2. Refer to mitigation measure for obtaining specific implementation procedures.</td>
</tr>
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<td></td>
<td>3. Owner/other developers to submit building design modifications to mitigate pedestrian-level wind impacts to City during project review.</td>
</tr>
<tr>
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<td>4. Agency to review and approve building design modifications.</td>
</tr>
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<td>5. Owner/other developers to construct buildings implementing design modifications.</td>
</tr>
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<td>6. Agency to inspect buildings and ensure that 26-mile-per-hour wind tunnel hazard for a single hour threshold is not exceeded.</td>
</tr>
<tr>
<td><strong>G.01 NOISE REDUCTION IN PILE DRIVING</strong></td>
<td></td>
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<td></td>
<td>1. DPW and DBI to impose mitigation measure requirements during site permit process.</td>
</tr>
<tr>
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<td>2. Owner/other developers to notify contractor of construction requirements.</td>
</tr>
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<td></td>
<td>3. DPW or DBI to inspect construction activities to ensure compliance with mitigation measure.</td>
</tr>
<tr>
<td><strong>M.02 WATER CONSERVATION IN BUILDINGS AND IRRIGATION</strong></td>
<td></td>
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<td></td>
<td>1. DBI and DPW to impose requirements of mitigation measure as part of site permit approval.</td>
</tr>
<tr>
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<td></td>
<td>2. Owner/other developers to construct project according to requirements.</td>
</tr>
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<tr>
<td><strong>M.02a.</strong> Install water conserving dishwashers and washing machines in rental apartments and condominiums.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>3. DBI or DPW to inspect site to ensure compliance with mitigation measure.</td>
</tr>
<tr>
<td><strong>M.02b.</strong> Install water conserving dishwashers and water efficient centralized cooling systems in office buildings.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>See implementation measures identified for Mitigation Measure M.2.</td>
</tr>
<tr>
<td><strong>M.02c.</strong> Incorporate water efficient laboratory techniques in research facilities where feasible.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>See implementation measures identified for Mitigation Measure M.2.</td>
</tr>
<tr>
<td><strong>M.02d.</strong> Provide information to residences and businesses advising methods to conserve water.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>See implementation measures identified for Mitigation Measure M.2.</td>
</tr>
<tr>
<td><strong>M.02e.</strong> Install water conserving irrigation systems (e.g., drip irrigation).</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>See implementation measures identified for Mitigation Measure M.2.</td>
</tr>
<tr>
<td><strong>M.02f.</strong> Design landscaping using drought resistant and other low-water use plants.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Include in site permit plans</td>
<td>See implementation measures identified for Mitigation Measure M.2.</td>
</tr>
</tbody>
</table>

**Improvement Plan – Plan Check**

**J.01. RISK MANAGEMENT PLAN(S)**

| J.01l. Post-Development – Except where testing demonstrates that native soils meet standards established by the RWQCB as being protective of human health and the aquatic environment, require that upon project completion, all native soils shall be capped, so as to preclude human contact by using buildings, paved surfaces (such as parking lots, sidewalks, or roadways), or fill of a kind and depth approved by the RWQCB. | 7E Owner, Agency | S.A. | RWQCB; DBI; DPH | As provided in the EIR or in RMPs. | See implementation procedures identified for Mitigation Measure J.01. |

**K.01. STORMWATER POLLUTION PREVENTION PROGRAM (SWPPP)**

| K.01a. Minimize dust during demolition, grading, and construction by lightly spraying exposed soil on a regular basis. | 7E Owner | DPW; DBI | Condition Tentative Map to require approval of SWPPP. Incorporate into plans and submit as part of Subdivision Improvement Plans approval. | See implementation procedures identified for Mitigation Measure K.01. |
| K.01b. Minimize wind and water erosion on temporary soil stockpiles by spraying with water during dry weather and covering with plastic sheeting or other similar material during the rainy season (November to April). | 7E Owner | DPW; DBI | Condition Tentative Map to require approval of SWPPP. Incorporate into plans and submit as part of Subdivision Improvement Plans approval. | See implementation procedures identified for Mitigation Measure K.01. |
## MISSION BAY MITIGATION MEASURES

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<tr>
<td><strong>K.01c.</strong> Minimize the area and length of time during which the site is cleared and graded.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td></td>
<td></td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
<tr>
<td><strong>K.01d.</strong> Prevent the release of construction pollutants such as cement, mortar, paints and solvents, fuel and lubricating oils, pesticides, and herbicides by storing such materials in a bermed, or otherwise secured, area.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td></td>
<td></td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
<tr>
<td><strong>K.01f.</strong> Follow design and construction standards found in the Manual of Standards for Erosion and Sediment Control Measures for placement of riprap and stone size, to the extent applicable to project.</td>
<td>7E Owner to the extent applicable</td>
<td>DPW; DBI</td>
<td></td>
<td></td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
<tr>
<td><strong>K.01g.</strong> Install and maintain sediment and oil and grease traps in local stormwater intakes during the construction period, or otherwise properly control oil and grease discharges.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td></td>
<td></td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
</tbody>
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### MISSION BAY MITIGATION MEASURES

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<tr>
<td>K.01h. Clean wheels and cover loads of trucks carrying excavated soils before they leave the construction site.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td></td>
<td>Condition Tentative Map to require approval of SWPPP. Incorporate into plans and submit as part of Subdivision Improvement Plans approval.</td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
<tr>
<td>K.01I. Implement a hazardous material spill prevention, control, and clean-up program for the construction period. As needed, the program would include measures such as constructing swales and barriers that would direct any potential spills away from the Channel and the Bay and into containment basins to prevent the movement of any materials from the construction site into water.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td></td>
<td>Condition Tentative Map to require approval of SWPPP. Incorporate into plans and submit as part of Subdivision Improvement Plans approval.</td>
<td>See implementation procedures identified for Mitigation Measure K.01.</td>
</tr>
</tbody>
</table>

### Building Site Permit

**D.06 UNKNOWN ARCHAEOLOGICAL REMAINS**

D.06. The entire Mission Bay Project Area has at least some sensitivity for the presence of unknown archaeological remains. Prehistoric cultural deposits could be encountered in three identified areas and unknown historical features, artifact caches and debris areas could be located anywhere in the Project Area. Follow procedures for instructing excavation crews, notifying the ERO and President of the LPAB, and developing recovery measures, as described in Measure D.03, above. In addition, in the event that prehistoric archaeological deposits are discovered, consult local Native American organizations, Dialogue with the ERO, LPAB and the archaeological consultant would take place in developing acceptable archaeological testing & excavation procedures, particularly in regard to the disposition of cultural materials and Native American burials. (Condition Major Plan Accordingly to require on individual building sites or potential for single coordinated program for Block)

| 7E Owner | Planning Department, ERO; LPAB President | Prior to excavation; ongoing implementation as required by measure | Prior to preparation of the work plan consultant shall consult with ERO and LPAB to develop a testing and excavation procedures. |

### F.02 CONSTRUCTION PM

F.02. As conditions of construction contracts require contractors to implement the following mitigation program, based on the instructions in the BAAQMD CEQA Guidelines, at all construction sites within the Project Area:

<p>| 7E Owner | DPW; DBI | Implement through site permit process | 1. Add note to construction plans which contain these air quality measures. 2. To be implemented upon initiation of construction. |</p>
<table>
<thead>
<tr>
<th>Mitigation Measures</th>
<th>Mitigation Response</th>
<th>S.A.</th>
<th>Responsible (Other)</th>
<th>Mitigation Schedule</th>
<th>Implementation Procedures</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.02a. Water all active construction areas at least twice a day, or as needed to prevent visible dust plumes from blowing off-site.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02b. Use tarpaulins or other effective covers for on-site storage piles and for haul trucks that travel on streets.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02c. Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved parking areas and staging areas at construction sites.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02d. Sweep all paved access routes, parking areas, and staging areas daily (preferably with water sweepers).</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02e. Sweep streets daily (preferably with water sweepers) if visible amounts of soil material are carried onto public streets</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02f. Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more).</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02g. Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.).</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02h. Limit traffic speeds on unpaved roads to 15 mph.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02i. Install sandbags or other erosion control measures to prevent silt runoff to public roadways.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02j. Replant vegetation in disturbed areas as quickly as possible.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02k. Install wheel washers for all exiting trucks, or wash off the tires or tracks of all trucks and equipment leaving the site.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
<tr>
<td>F.02l. Install wind breaks, or plant trees / vegetative wind breaks at windward side(s) of construction areas.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
<td></td>
</tr>
</tbody>
</table>
### MISSION BAY MITIGATION MEASURES

#### Block 7E

<table>
<thead>
<tr>
<th>Mitigation Measures</th>
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<tbody>
<tr>
<td>F.02m. Suspend excavation and grading on large construction sites when winds (instantaneous gusts) exceed 25 mph.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
</tr>
<tr>
<td>F.02n. Limit the area subject to excavation, grading and other construction activity at any one time.</td>
<td>7E Owner</td>
<td>DPW; DBI</td>
<td>Implement through site permit process</td>
<td>See Mitigation Measure F.02.</td>
</tr>
</tbody>
</table>

#### J.01 RISK MANAGEMENT PLAN(S) –

| J.01a. RMP Enforcement – Provide an enforcement structure for RMPs, to be in place and effective during construction and after project development, including: |
| i. Develop and record a restrictive covenant as an Environmental Restriction and Covenant under California Civil Code Section 1471 that: |
| a. Places limits on future uses in the Project Area consistent with the provisions in the RMP; |
| b. Provides notice to current and future property owners that the RMP contains use restrictions and other requirements and obligates property owners to provide like notice to occupants; and |
| c. Provides notice to current and future property owners that the RWQCB maintains residual regulatory enforcement authority over all portions of the Project Area sufficient to compel enforcement of the entire RMP |
| ii. As part of any future transfer of property title of any portion of the Project Area, require current property owners to provide a copy of the RMP to each of their future transferees. |

| J.01b. Pre-Development – Include, at a minimum, the following elements in the RMP: |
| Limit direct access to areas with exposed native soils (defined as soils that exist at the site prior to project approval) and perform inspections to verify that measures taken to limit direct access are maintained. |
| Alternatively, for each location with exposed native soils, provide risk management procedures for those areas. If this alternative is chosen, for each exposed soil location that would remain vacant |

| 7E Owner to implement RMP provisions as applicable to Block 7E, Agency | S.A. | RWQCB | As provided in the EIR or in RMPs. | See implementation procedures identified for Mitigation Measure J.01. |
### MISSION BAY MITIGATION MEASURES

#### Block 7E

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<tr>
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<tbody>
<tr>
<td>Evaluate sampling results to determine constituents that could pose a risk to the general public. Identify populations who could be exposed to the constituents in soils based on land uses within and adjacent to the Project Area. Exposed populations that would be considered would include adult and child visitors/trespassers, nearby residents (adults and children), and workers not involved in project construction within and adjacent to the Project Area. Using specific EPA and DTSC-recommended exposure assumptions, identify the appropriate exposure pathways and assumptions in consultation with the RWQCB. Using the specific exposure assumptions identified above, adopt contaminant specific interim target levels (ITLs) following regulatory risk assessment guidelines established by DTSC and EPA.</td>
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</tr>
<tr>
<td>J.01c. For areas where ITLs are exceeded, identify specific Interim Risk Management (IRM) measures that would reduce potential contamination-related risks to Project Area occupants and visitors during site build-out. Based on the results of the ITL evaluation and need for site controls, general IRM measures could include measures such as:</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>i. Limit Direct Access to Uncovered Native Soil on Undeveloped Portions of the Project Area. To effectively limit access, install fencing or other physical barriers around the identified areas, and post &quot;no trespassing&quot; signs.</td>
<td>7E Owner to implement RMP provisions as applicable to Block 7E, Agency</td>
<td>S.A.</td>
<td>RWQCB</td>
<td>As provided in the EIR or in RMPs. See implementation procedures identified for Mitigation Measure J.01.</td>
</tr>
</tbody>
</table>
## MISSION BAY MITIGATION MEASURES

### Block 7E

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<tr>
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<th>Responsible (Other)</th>
<th>Mitigation Schedule</th>
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</thead>
<tbody>
<tr>
<td>iii. Include Safety Notices in Leases. Notify tenants of occupied portions of the Project Areas of the potential risks involved with the disturbance of existing cover (asphalt, concrete, vegetation) or exposed native soil.</td>
<td></td>
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<tr>
<td>iv. Conduct Periodic Inspections of Open Spaces. Conduct periodic inspections of the Project Area to reduce the illegal occupancy of open areas by transient populations, and to reduce the illegal dumping by unauthorized occupants or offsite populations. Implement additional security measures such as fencing and/or the use of security guards, if inspections show a need.</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>v. Periodic Monitoring. Perform inspections verifying that risk management measures remain effective by identifying disturbances to cover materials that could result in the exposure of underlying native soil and by identifying areas where temporary fencing or other physical barriers might need to be reinstalled. If the inspections identify areas where measures have been rendered ineffective, implement corrective action.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### J.01 RISK MANAGEMENT PLAN(S) (cont.)

<table>
<thead>
<tr>
<th>J.01e. Identify site access controls to be implemented during construction, such as:</th>
<th>7E Owner to implement RMP provisions as applicable to Block 7E, Agency</th>
<th>S.A.</th>
<th>RWQCB; DBI; DPW</th>
<th>As provided in the EIR or in RMPs.</th>
<th>See implementation procedures identified for Mitigation Measure J.01.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Secure construction site to prevent unauthorized pedestrian/vehicular entry with fencing or other barrier of sufficient height and structural integrity to prevent entry and based upon the degree of control required.</td>
<td></td>
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<tr>
<td>ii. Post “no trespass” signs.</td>
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<td></td>
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</tr>
<tr>
<td>iii. Provide on-site meetings with construction workers to inform them about security measures and reporting/contingency procedures.</td>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

### J.01g. Identify protocols for managing groundwater, which will include at a minimum:  

<table>
<thead>
<tr>
<th>J.01g. Identify protocols for managing groundwater, which will include at a minimum:</th>
<th>7E Owner to implement RMP provisions as applicable to Block 7E, Agency</th>
<th>S.A.</th>
<th>RWQCB; DBI; DPW; DPH</th>
<th>As provided in the EIR or in RMPs.</th>
<th>See implementation procedures identified for Mitigation Measure J.01.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Procedures to prevent unacceptable migration of contamination from defined plumes during dewatering, such as monitoring, counter-pumping, or installing sheetpiles down to Bay Mud before dewatering.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii. Procedures for the installation of subsurface pipelines and other utilities, where necessary, to prevent lateral transmission of chemicals in groundwater. Such procedures could include, but would not be limited to, selection of proper backfill materials and</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
### MISSION BAY MITIGATION MEASURES

#### Block 7E

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</thead>
<tbody>
<tr>
<td>thickness and installation of clay plugs or barrier collars.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J.01i. Include a requirement that construction personnel be trained to recognize</td>
<td>7E Owner to implement RMP provisions as applicable to Block 7E, Agency,</td>
<td>RWQCB; DBI; DPW; DPH</td>
<td>As provided in the</td>
<td>See implementation procedures identified for</td>
</tr>
<tr>
<td>potential hazards associated with underground features that could contain hazardous</td>
<td></td>
<td></td>
<td>EIR or in RMPs.</td>
<td>Mitigation Measure J.01.</td>
</tr>
<tr>
<td>materials, previously unidentified contamination, or buried hazardous debris.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J.01j. Develop and describe procedures for implementing a contingency plan,</td>
<td>7E Owner to implement RMP provisions as applicable to Block 7E Agency</td>
<td>RWQCB; DBI; DPW; DPH</td>
<td>As provided in the</td>
<td>See implementation procedures identified for</td>
</tr>
<tr>
<td>including appropriate notification and control procedures, in the event unanticipated</td>
<td></td>
<td></td>
<td>EIR or in RMPs.</td>
<td>Mitigation Measure J.01.</td>
</tr>
<tr>
<td>subsurface hazards are discovered during construction. Control procedures could</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>include, but would not be limited to, further investigation and removal of USTs or</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>other hazards.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J.01k. Establish procedures, as necessary, so that construction activities avoid</td>
<td>7E Owner to implement RMP provisions as applicable to Block 7E Agency</td>
<td>RWQCB</td>
<td>As provided in the</td>
<td>See implementation procedures identified for</td>
</tr>
<tr>
<td>interfering with any RWQCB-required site investigation and remediation in the free</td>
<td></td>
<td></td>
<td>EIR or in RMPs.</td>
<td>Mitigation Measure J.01.</td>
</tr>
<tr>
<td>product area.</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Cert. of Occupancy

<table>
<thead>
<tr>
<th>F.03 TOXIC AIR CONTAMINANTS (TACs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.03. Prior to issuing a certificate of occupancy for a facility containing potential toxic air</td>
</tr>
<tr>
<td>contamination sources, obtain written verification from BAAQMD either that the facility has been</td>
</tr>
<tr>
<td>issued a permit from BAAQMD, if required by law, or that permit requirements do not apply to the</td>
</tr>
<tr>
<td>facility.</td>
</tr>
<tr>
<td>7E Owner (but only if the Block 7E project contains potential toxic air contamination sources).</td>
</tr>
<tr>
<td>7E Owner has no responsibility for any mitigations related to the pump station control room.</td>
</tr>
<tr>
<td>DBI; DPH</td>
</tr>
<tr>
<td>Prior to issuance of Certificate of Occupancy for relevant facilities</td>
</tr>
<tr>
<td>1. Owner/other owners to obtain and submit written verification from BAAQMD to DBI.</td>
</tr>
<tr>
<td>2. DBI reviews BAAQMD verification to ensure that the facility has been issued a permit, or to</td>
</tr>
<tr>
<td>ensure that permit requirements do not apply to the facility.</td>
</tr>
<tr>
<td>3. DBI issues Certificate of Occupancy as long as all applicable conditions are met.</td>
</tr>
</tbody>
</table>

### J.01 RISK MANAGEMENT PLAN(S)

| J.01m. Prohibit residences with unrestricted access to soils in front yards or backyards    |
| J.01n. Prohibit access to native soils for private use. If disturbance of native subsurface |
| elsewhere in the Project Area.                                                              |
| 7E Owner, Agency                                                                            |
| S.A.                                                                                            |
| RWQCB; DBI; DPW; DPH                                                                       |
| As provided in the EIR or in RMPs.                                                          |
| See implementation procedures identified for Mitigation Measure J.01.                         |
| J.01n. Prohibit access to native subsurface soils or groundwater dewatering is planned, carry |
| 7E Owner, Agency                                                                            |
| S.A.                                                                                            |
| RWQCB; DBI                                                                                |
| As provided in the EIR or in RMPs.                                                          |
| See implementation procedures identified for Mitigation Measure J.01.                         |
### MISSION BAY MITIGATION MEASURES

**Block 7E**

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<tr>
<td>out these activities in accordance with the elements of the RMP called for in Measures J.01d through J.01k. Following construction or excavation or soil disturbance, restore the cap in accordance with the provisions of the RMP as called for in Measure J.01l.</td>
<td></td>
<td>DPW; DPH</td>
<td>EIR or in RMPs.</td>
<td>Mitigation Measure J.01.</td>
</tr>
<tr>
<td>J.01o. Prohibit the use of shallow groundwater within the Project Area for domestic, industrial, or irrigation purposes. Permit installation of groundwater wells within the Project Area only for environmental monitoring purposes. Secure and lock environmental wells installed within the Project Area to prevent unauthorized access to the groundwater. In the event the use of shallow groundwater is proposed, perform an assessment of the risks from direct exposure to the groundwater prior to use and obtain RWQCB or other appropriate regulatory agency approval of the results of the assessment and proposed uses.</td>
<td>7E Owner, Agency</td>
<td>S.A.</td>
<td>RWQCB; DBI; DPW; DPH</td>
<td>As provided in the EIR or in RMPs. See implementation procedures identified for Mitigation Measure J.01.</td>
</tr>
</tbody>
</table>

**Abbreviations:**

AGENCY: Successor Agency of the Redevelopment Agency of the City and County of San Francisco  
BAAQMD: Bay Area Air Quality Management District  
DBI: San Francisco Department of Building Inspection  
DPH: San Francisco Department of Public Health  
DPW: San Francisco Department of Public Works  
EIR: Environmental Impact Report  
ERO: Environmental Review Officer  
MTA/SSD: San Francisco Municipal Transportation Agency, Sustainable Streets Division (formerly Department of Parking and Traffic)  
Owner: FOCIL-MB, LLC  
OES: Office of Emergency Services  
PC: San Francisco Planning Commission  
RMP: Resource Management Plan  
RWQCB: San Francisco Bay Area Regional Water Quality Control Board  
SFPUC: San Francisco Public Utilities Commission  
S.A.: Agency: City and County of San Francisco as Successor to Redevelopment Agency  
SWPPP: Stormwater Pollution Prevention Plan  
TMA: Transportation Management Association
EXHIBIT C

NOTICE OF TERMINATION AND RELEASE OF MEMORANDUM OF OPTION
NOTICE OF TERMINATION AND RELEASE OF MEMORANDUM OF OPTION
(Block 7E)

This Notice of Termination and Release of Memorandum of Option (this "Release") by 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, which succeeded to the rights and obligations of the former Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") pursuant to AB x1 26, the Redevelopment Dissolution Act ("Successor Agency") and FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL") is dated for reference purposes as of ________________ and shall be effective upon its recordation in the Official Records of the County of San Francisco and is entered into with reference to the following facts:

a. On June 22, 2007 FOCIL and the former Redevelopment Agency entered into that certain Memorandum of Option ("Option") which was recorded in the Official Records of San Francisco County ("Official Records") on July 5, 2007 as Document No. 2007- I41350-00) in connection with that certain real property located in the Mission Bay South area, San Francisco (the "Property"), as more particularly described in the attached Exhibit A in accordance with the Mission Bay South Owner Participation Agreement dated November 16, 1988, as amended (the “South OPA”) pursuant to which the Successor Agency could exercise the Option and acquire the Property for purposes of developing on the Property affordable housing units in accordance with the South OPA.

b. The Successor Agency and FOCIL have agreed to amend the South OPA in accordance with the Fourth Amendment to the Mission Bay Owner Participation Agreement ("Fourth Amendment") in order to change the designation of the Property from an Approved Site for the development of Affordable Housing Units as that term is defined in the Mission Bay South Housing Program and so designated in the South OPA to allow for the development on the Property the Family House Project, as defined in the Fourth Amendment.

c. As a result of the removal of BLOCK 7E from the list of Approved Housing Sites, the Block 7E Option terminates and the Successor Agency and FOCIL now wish to record a notice of termination and release of the Block 7E Option.
NOW, THEREFORE, it is hereby declared and understood as follows:

1. The Memorandum of Option is hereby terminated, and the Property is hereby released from the encumbrance of the Option.

2. This Release may be signed in multiple counterparts, which, when signed by all parties, shall constitute a binding agreement.

IN WITNESS WHEREOF, Successor Agency and FOCIL have executed this Release as of the day first above written.

APPROVED AS TO FORM:
DENNIS J. HERRERA,
City Attorney

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: ____________________________  By: ____________________________
   Heidi J. Gewertz               Tiffany Bohee
   Deputy City Attorney           Executive Director
FOCIL-MB, LLC, a Delaware limited liability company

By:

By: ______________________
Name: ____________________
Title: _____________________

SIGNATURE MUST BE NOTARIZED
EXHIBIT A

LEGAL DESCRIPTION
On ____________________, before me, ___________________________, Notary Public, personally appeared ______________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name:   __________________________
Notary Public