

EXHIBIT G

Community Benefits Plan

[ATTACHED]

**DISPOSITION AND DEVELOPMENT AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

COMMUNITY BENEFITS PLAN

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LIST OF EXHIBITS

Exhibit G-A. Community Benefits Program Processes and Procedures

**DISPOSITION AND DEVELOPMENT AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

COMMUNITY BENEFITS PLAN

This COMMUNITY BENEFITS PLAN implements and is part of the DDA. As used herein, the capitalized terms defined in Section 7.6 have the meanings ascribed to them in Section 7.6. Capitalized terms used but not otherwise defined in this Community Benefits Plan shall have the meanings for such terms set forth in the DDA.

1. EDUCATION

Section 1.1 Scholarship Program. Developer shall contribute (or cause the contribution of) Three Million Five Hundred Thousand Dollars (\$3,500,000) in all cash (the “**Scholarship Fund Contribution**”) to the “Lennar Bayview Scholarship Fund” to be held as part of the Community Benefits Fund (as defined below) and to be used to assist youth and adults up to age thirty (30) living in BVHP with the cost of tuition and/or educational materials for any course in support of any educational program that grants a diploma, degree or certificate of completion that is offered by a college, university, community college, technical or trade school recognized by any of the six regional higher education accreditors, including the Western Association of Schools and Colleges. In addition, the Lennar Bayview Scholarship Fund will be used to fund “The Will Bass Memorial Educational Travel Scholarship” which will annually award Five Thousand Dollars (\$5,000) for educational travel to Africa or Asia to one African American student (18 to 25 years old) from BVHP. The obligation to contribute the Scholarship Fund Contribution shall accrue and be made as follows: (i) Five Hundred Thousand Dollars (\$500,000) on the date that is ninety (90) days after the first Major Phase Approval and (ii) Three Hundred Thousand Dollars (\$300,000) on the date that is sixty (60) days after the date that Developer obtains each thousandth (e.g. the 1,000th, 2,000th, 3,000th, etc.) Unit Credit, as described in the Below-Market Housing Plan.

Section 1.2 Education Improvement Fund. Developer shall contribute (or cause the contribution of) Ten Million Dollars (\$10,000,000) in all cash (the “**Education Improvement Fund Contribution**”) to the “Lennar Bayview Education Improvement Fund” to be used to support education enhancements within BVHP, which may include new facilities or upgrades to existing education resources and health and wellness education in schools. The use of these funds will be determined through a community-based process that includes representatives of the San Francisco Unified School District, BVHP, OEWD, the Agency and Developer. The Education Improvement Fund Contribution shall be made to the entity specified by the Agency within sixty (60) days after receipt of written notice from the Agency to Developer that such Education Improvement Fund Contribution (or a portion thereof as set forth in such notice) is required to implement the priorities established by the community-based process; provided, however, that the obligation to contribute (or cause the contribution of) the Education Improvement Fund Contribution shall accrue as follows: (i) Five Hundred Thousand Dollars (\$500,000) on the date that is ninety (90) days after the first Major Phase Approval and (ii) Nine Hundred Fifty Thousand Dollars (\$950,000) upon the date that Developer obtains each thousandth (e.g. the 1,000th, 2,000th, 3,000th, etc.) Unit Credit. Developer and the Agency may

agree to accelerate the payment of the Education Improvement Fund for the construction of new educational facilities in BVHP.

2. COMMUNITY HEALTH AND WELLNESS

Section 2.1 Wellness Contribution. Developer shall contribute (or cause the contribution of) Two Million Dollars (\$2,000,000) in all cash (the “**Wellness Contribution**”) to be used in accordance with this Article 2. Developer’s obligation to contribute the Wellness Contribution shall accrue and be made as follows: (i) One Hundred Thousand Dollars (\$100,000) to the Agency on the date that is ninety (90) days after the first Major Phase Approval, to be used by the Agency for predevelopment expenses in connection with the proposed expansion of the Southeast Health Center; (ii) thereafter, up to Two Hundred Thousand Dollars (\$200,000) on the date that is the later of (a) the date that the Agency and DPH Directors have each approved a financial plan for the expansion of the Southeast Health Center and (b) thirty (30) days after notice from the Agency, to be used as may be needed for additional predevelopment expenses for such expansion; and (iii) thereafter, the balance of the Wellness Contribution on the date this is thirty (30) days after notice thereof from the Agency to be used for the Southeast Health Center as set forth in Section 2.2 or for the Center for Youth Wellness as set forth in Section 2.3. The Agency shall not send such notice under clause (iii) above until, as applicable, (A) the Agency, DPH, or its designee has received authorization to enter into a construction contract for the expansion of Southeast Health Center or such funds are otherwise required by the Agency in order to fulfill the requirements of a new markets tax credit financing or similar financing for such construction, or (B) the funds are required for the Center for Youth Wellness as set forth in Section 2.3 and the Agency provides reasonable evidence to Developer of the same. If all of the Wellness Contribution has not been contributed by the date that Developer obtains its five thousand two hundred fiftieth (5,250th) Unit Credit (the “**Mid-Point Date**”), then, unless the Agency determines that planning for the Southeast Health Center or the Center for Youth Wellness requires additional time, Developer shall contribute the remainder of the Wellness Contribution to the Community Benefits Fund in five (5) equal annual installments commencing ninety (90) days following the Mid-Point Date. In such event, such Wellness Contribution shall be used for programming related to the health and wellness of residents in the Project Site and in BVHP, including respiratory illness prevention and treatment. In any event, the use and expenditure of the Wellness Contribution shall be made in consultation with the PAC and the CAC.

Section 2.2 Southeast Health Center. Developer shall contribute (or cause the contribution of) Two Hundred and Fifty Thousand Dollars (\$250,000) in all cash (the “**Healthcare Predevelopment Contribution**”) to the Agency (or its designee) to be used for predevelopment expenses associated with the expansion of the Southeast Health Center, including an assessment of the programmatic needs of an expanded center in light of other health care services in the area. The obligation to contribute the Healthcare Predevelopment Contribution shall accrue and be made on the date that is ninety (90) days after the first Major Phase Approval. Based on current projections, the capital costs for expanding the Southeast Health Center will be funded through a combination of (i) tax increment generated in Zone 2 of the BVHP Redevelopment Plan Area, (ii) the \$2,000,000 Wellness Contribution paid by Developer, and (iii) the City’s ability to finance savings that would accrue to the DPH by moving from leased space into owned space at an expanded Southeast Health Center; should the final

budget for a Southeast Health Center expansion be different from current projections, the portion of the Wellness Contribution paid by Developer for the expansion of the Southeast Health Center may be modified by the mutual consent of Developer and the Agency; if Developer's contribution for the Southeast Health Center is reduced, any remaining portion of the Wellness Contribution shall be used for other health needs in BVHP, as set forth in Section 2.3.

Section 2.3 Pediatric Wellness. If the Agency determines that the Wellness Contribution, or a portion thereof, is not needed for use in accordance with Section 2.2, the Wellness Contribution will be used to expand, develop, finance and/or create a center focused on the health and well being of children, youth and their families, which center may include the Southeast Health Center (the "**Center for Youth Wellness**"). Any Center for Youth Wellness will be developed with the assistance of the San Francisco District Attorney's Office, the Department of Public Health, and others with expertise in the field as determined by the Agency.

3. COMMUNITY FACILITIES

Section 3.1 General. Developer (or Vertical Developers, as applicable) shall (A) make available to the Agency seven and a half percent (7.5%) of the aggregate retail space in the Project (but not to exceed a maximum of 65,000 gross square feet) (the "**Community Facilities Space**"), as more particularly set forth in Section 3.2, (B) Complete the Infrastructure for the approximately four and eight tenths (4.8) acres of land identified on the Development Plan as "Community Facilities Lots" (the "**Community Facilities Lots**") in accordance with the applicable portions of the Infrastructure Plan and Schedule of Performance, as more particularly set forth in Section 3.3, and (C) provide the additional facilities as more particularly set forth in Section 3.4 (collectively, the "**Additional Community Facilities**", and together with the Community Facilities Lots and the Community Facilities Space, the "**Community Facilities**"). The Community Facilities shall be designed to provide, preserve and leverage such critical local resources as social services, education, the arts and other community services, including public safety facilities such as fire and police stations and facilities for the benefit of senior citizens. As guiding principles governing the development of the Community Facilities, the Community Facilities should be used to (1) enhance the overall quality of life of residents in the Project Site and in BVHP and (2) support the creation of a vibrant new neighborhood in the Project Site. The Community Facilities, Completed in accordance with applicable provisions of the DDA (including this Community Benefits Plan), shall be delivered to the Agency or the City or to an organization selected by the Agency and Approved by Developer or Vertical Developer, as applicable, as set forth in Section 3.2 (each, a "**Community Facilities Entity**").

Section 3.2 Community Facilities Space. The Agency and Developer acknowledge and agree that the Community Facilities Space shall be generally distributed throughout the Project Site, although they anticipate that a significant portion of the Community Facilities Space shall be provided in the regional retail portion of the Project anticipated on the Candlestick Site. Developer shall use good faith efforts to work with the Agency to agree upon the location of any Community Facilities Spaces within a Major Phase before the submission of the applicable Major Phase Application and within each applicable Sub-Phase before the submission of the applicable Sub-Phase Application. If Developer and the Agency Approve the location of a Community Facilities Space, then such Community Facilities Space shall be included in the applicable Sub-Phase Application. If Developer and the Agency have not Approved the

locations of the Community Facility Spaces within a Sub-Phase, if any, then the Agency may be permitted in its sole and absolute discretion to withhold the Sub-Phase Approval until such locations have been Approved by Developer and the Agency. Following the Sub-Phase Approval related to such Sub-Phase, the Agency shall no later than twelve (12) months following the Commencement of construction of the applicable Vertical Project (the “**Community Facilities Entity Selection Date**”) select an appropriate Community Facilities Entity for such Community Facilities Space and notify Developer or, if applicable, Vertical Developer of the applicable Vertical Project of such selection and the proposed use of the Community Facilities Space. Developer or Vertical Developer, as applicable, shall within thirty (30) days of receipt of such notice either give Approval of such Community Facilities Entity or provide a detailed statement of the reasons for its disapproval. Following any such disapproval, the Agency and Developer or Vertical Developer, as applicable, shall negotiate in good faith until a Community Facilities Entity has been Approved by the Agency and Developer or Vertical Developer, as applicable. Upon any vacancy of the Community Facilities Space, the above process for identification of a Community Facilities Entity shall be repeated, and an appropriate restriction will be recorded against the Community Facilities Space so that it remains Community Facilities Space for the life of the Vertical Project (subject to Vertical Developer’s right to lease the Community Facilities Space to others if a new Community Facilities Entity is not selected within six (6) months as set forth below). If the Agency does not select a Community Facilities Entity before the Community Facilities Entity Selection Date, then Vertical Developer shall give the Agency notice and permit the Agency an additional ninety (90) days following the Agency’s receipt of such notice to select the Community Facilities Entity. If the Agency has not selected the Community Facilities Entity within the above ninety (90) day period, then Vertical Developer shall have the right to rent or convey the Community Facilities Space to any user without restriction.

The Community Facilities Space shall be provided by Vertical Developer to the Approved Community Facilities Entity in Cold Shell condition and on the same general terms and conditions as are provided to other similar Community Facilities Entities for other similar Community Facilities Space within the Project and as are provided to other users within the Sub-Phase and Major Phase of which the Community Facilities Space is a part, subject to the provisions set forth below. The conveyance agreement(s) applicable to such Community Facilities Space (the “**Community Facilities Space Agreement**”) shall at a minimum require the Community Facilities Entity to (1) continually use such space (subject to damage and destruction and reasonable hours of operation consistent with other comparable facilities), (2) provide commercially reasonable insurance coverage, (3) adhere to maintenance and security protocols and (4) timely pay its proportionate share of all pass-through and other charges, including applicable property taxes and assessments (including in-lieu payments), insurance and maintenance, and other operating expenses, all generally consistent with other tenants or owners in the applicable Vertical Project. The Community Facilities Entity shall not, however, pay a purchase price or base rent for the Community Facilities Space. If Vertical Developer and the Community Facilities Entity are not able to reach agreement on the final form of the Community Facilities Space Agreement within six (6) months after the identification of such Community Facilities Entity notwithstanding good faith negotiations on the part of both parties, or if the Community Facilities Entity defaults in its obligations under the Community Facilities Space Agreement (after the expiration of notice and cure periods contained therein), then Vertical Developer and the Agency shall work together in good faith to find a new Community Facilities

Entity for the Community Facilities Space and provide such Community Facilities Space, each as set forth above. If Vertical Developer and the Agency are unable to select a new Community Facilities Entity within six (6) months after the date Developer or Vertical Developer notifies Agency that negotiations for the Community Facilities Space Agreement have terminated or that the Community Facilities Entity has vacated the space or otherwise defaulted in its obligations as set forth above, then Vertical Developer shall have the right to rent or convey the Community Facilities Space to any user without restriction; provided, in the event of a rental, the applicable Community Facilities Space shall be offered again to a new Community Facilities Entity on the expiration of that rental under the process described above.

(a) Specific Use of Community Facilities Space.

(i) *International African Marketplace.* A portion of the Community Facilities Space within retail Vertical Projects on the Candlestick Site and identified as set forth above shall be used for an indoor African Marketplace that will serve as an African-themed, festive setting for the display and sale of arts, crafts, sculptures, fabrics and clothing, and books.

(ii) *Library Reading Rooms.* A portion of the Community Facilities Space within certain Vertical Projects identified as set forth above shall be used for facilities operated by the San Francisco Public Library (the “SFPL”), such as (i) a library reading room of not less than one thousand five hundred (1,500) gross square feet and (ii) automated book pick-up and drop-off kiosks (“**Bookautomatons**”), each to be operated by the SFPL. Developer will work cooperatively with the Agency and the City, including the SFPL, on the phasing of such improvements and the appropriate locations for the reading rooms and Bookautomatons.

(iii) *CP State Recreation Area.* Three thousand (3,000) gross square feet of the Community Facilities Space on the Candlestick Site within a Vertical Project Approved by Developer, the Agency and State Parks, shall be used by State Parks for a welcoming or information center for the CP State Recreation Area.

Section 3.3 Community Facilities Lots. The Community Facilities Lots shall be provided in fee to the Agency at no cost to the Agency and (A) shall be used in a manner that is (x) consistent with the Redevelopment Requirements and (y) determined by the Agency, in its sole discretion after consultation with Developer, applicable City departments, the PAC and the CAC and (B) to the extent that Developer holds title to such Community Facilities Lots, shall not be transferred to the Agency until such time that the Agency determines that such land may be transferred to a community development corporation, community land trust, public entity, or not-for-profit organization, or the Agency otherwise agrees to accept the fee conveyance of the Community Facility Lot under the terms of the DDA (including this Community Benefits Plan). The Agency shall use commercially reasonable efforts to (I) select the use of such land and the identity of such transferee as soon as reasonably feasible and (II) secure the maximum feasible amount of third-party, local, state, and federal funding to pay for the completion of such selected

uses so as to ensure that the benefits thereof to residents in the Project Site and BVHP may be realized in a timely fashion.

(a) Additional One Acre Lot. If and to the extent that the approximately one (1) acre of land on the Candlestick Site identified on the Development Plan for public facilities and labeled the “Mixed-use Facility” is not required for a fire station, police station or school, as determined in the reasonable discretion of the Agency in connection with the applicable Sub-Phase Approval, then following the Completion of Infrastructure in accordance with the Infrastructure Plan and the Schedule of Performance, Developer shall be entitled to acquire and dispose of such land (or the portion not retained by the Agency for public facilities) in the same manner as other land designated for development in the applicable Major Phase and consistent with the Redevelopment Requirements and the applicable Major Phase Approval and Sub-Phase Approval.

Section 3.4 Additional Community Facilities.

(a) Arts and Cultural Facilities.

(i) *Artist Relocation Plan.* The construction of the Project must be phased to ensure that the existing artists lawfully occupying the Shipyard Site (the “**Existing Artists**”) who are required to move in connection with any rehabilitation, renovation or new development on the Project Site, including artists who lawfully occupied Building 103 after July 1, 2008 but were required to move before the Reference Date, have the right (but not the obligation) to move to the New Shipyard Artist Studios without being displaced from the Project Site. An artist relocation plan will be developed in consultation with the artists affected as well as applicable City departments, the PAC and the CAC, and must be completed by Developer and Approved by the Agency Commission (the “**Artist Relocation Plan**”) before the relocation of any of the Existing Artists. The Artist Relocation Plan shall provide that (1) Developer and the Agency will reasonably endeavor to ensure that all Relocating Artists are provided the opportunity to move directly into the New Shipyard Artist Studios, (2) Relocating Artists in Buildings 104, 115, 116 and 117 may remain in their existing studios until the New Shipyard Artist Studios are available for occupancy, (3) if safe for occupancy, Building 103 will be made available for use by Relocating Artists from Buildings 110 and 125 until the New Shipyard Artists Studios are available for occupancy and (4) if studio space in Building 103 is insufficient to accommodate all Relocating Artists, then additional temporary studio space required to accommodate such remaining Relocating Artists shall be made available, including in other existing buildings on Parcels A and B that are not scheduled to be demolished in the Initial Sub-Phases and are safe for occupancy.

(ii) *Artist Rents.* Subject to the approval of a management agreement by the Agency Commission, the Agency shall lease the Shipyard Artist Studios at rates necessary to reimburse the Agency for its costs, including any operation and maintenance costs, reserves and any administrative fees, but the Agency shall not charge more than is required to reimburse such costs to the Agency.

(iii) *New Shipyard Artist Studios.* Developer shall convey to the Agency, at no cost to the Agency, fee title to new permanent artist studio space (the “**New Shipyard Artist Studios**”) in accordance with the applicable Major Phase Approval and Sub-Phase Approval, the Schedule of Performance and the Artist Relocation Plan. The New Shipyard Artist Studios shall be sufficient to accommodate the Existing Artists (but not including those in Building 101, who will have the right to remain in Building 101) who elect to relocate there in accordance with the Artist Relocation Plan (the “**Relocating Artists**”) (approximately 106,000 gross square feet) and shall be appropriate for the production of art. The Agency shall grant a license and Permit to Enter to Developer, at no cost to Developer, for portions of Parcel A owned by the Agency that are proximate to Building 101 and on which Developer may construct the New Shipyard Artist Studios.

(iv) *Building 101.* Developer shall Complete the Infrastructure for Building 101 in accordance with the Infrastructure Plan and the applicable Major Phase Approval and Sub-Phase Approval, which Infrastructure shall include reasonable water, waste water, auxiliary water, electricity, data and gas connections to Building 101 (the Building 101 artist studios, together with the New Shipyard Artist Studios, the “**Shipyard Artist Studios**”), but shall have no obligation to renovate or pay any amount for the renovation or other improvement of Building 101. The Agency shall not undertake any renovation of Building 101, or set the amount of any rent increase to support such renovations, without the consent of a majority of the affected Existing Artists.

(v) *Arts Center.* Developer shall work cooperatively with the Agency and the artists on the Shipyard Site, and as the case may be in consultation with the PAC and CAC, to complement the Shipyard Artist Studios by providing to the Agency, at no cost to the Agency, a parcel of land equal to between fifteen thousand (15,000) and thirty thousand (30,000) square feet on which an Arts Center may be constructed.

(vi) *Arts District Design Elements.* Developer shall integrate opportunities for the display of art on the Project Site in accordance with the applicable Major Phase Approval and Sub-Phase Approval and the Schedule of Performance.

(b) Parks and Open Space Facilities. Developer shall construct a variety of passive and active public open spaces in accordance with the Parks and Open Space Plan and the applicable Major Phase Approvals and Sub-Phase Approvals and at the times required by the Schedule of Performance. The parks and open space may be used by Governmental Entities with applicable jurisdiction to provide additional, integrated community facilities that support the programming and operation of such parks and open space. Part of this open space shall include open space on Parcel B to be used as (i) a venue for musical performances, including for performances of gospel, jazz, blues, African and world music and (ii) an occasional outdoor venue that will serve as (1) an African-themed marketplace for the display and sale of arts, crafts, sculptures, fabrics and

clothing, and books; and (2) a marketplace for farmer and antique markets, including the sale of fresh, wholesome and healthy foods. As set forth in the Parks and Open Space Plan and as more particularly set forth in the applicable Major Phase Approval or Sub-Phase Approval, certain portions of the park land shall be dedicated for park maintenance facilities.

(c) Emerging Business Incubator. Developer shall reasonably cooperate with the Agency and the City, and as the case may be in consultation with the PAC and CAC, to facilitate the rehabilitation of Building 813 on the Shipyard Site, which totals approximately two hundred sixty thousand (260,000) gross square feet, for use as a center for the incubation of emerging businesses and technologies, including, but not limited to, clean tech, biotech, green business, arts and digital media. Developer shall reasonably cooperate with the Agency to ensure the timely availability of interim and permanent infrastructure to support the renovated building.

(d) Fire Station Lot. Developer shall Complete the Infrastructure for the approximately one-half (.5) acre of land on the Shipyard Site identified on the Development Plan as “Fire Station Lot” (the “**Fire Station Lot**”) in accordance with the Infrastructure Plan and the Schedule of Performance and, to the extent Developer holds fee title to such Fire Station Lot, Developer shall convey such land in fee to the City, at no cost to the City, following Completion of such Infrastructure.

4. CORE COMMUNITY BENEFITS AGREEMENT

Section 4.1 Community First Housing Fund. The CCBA provides that, based on a Project that is entitled for ten thousand five hundred (10,500) Units, Developer shall contribute (or cause the contribution of) a maximum of Twenty Eight Million Six-Hundred Sixty-Five Thousand Dollars (\$28,665,000) on the schedule set forth in the CCBA to a Community First Housing Fund (the “**Community First Housing Fund Contribution**”). Under the terms of the CCBA, the Community First Housing Fund will be used to assist qualifying residents in the purchase of Units in District 10 through opportunities such as down payment assistance, rent-to-own opportunities, purchase of buildable pads, and/or the purchase of Units, inside or outside of the Project, including those specifically designed for senior citizens.

Section 4.2 Workforce Development Fund. The CCBA provides that, based on a Project that is entitled for ten thousand five hundred (10,500) Units, Developer shall contribute (or cause the contribution of) a maximum of Eight Million Nine Hundred and Twenty-Five Thousand Dollars (\$8,925,000) on the schedule set forth in the CCBA to a Workforce Development Fund (the “**Workforce Contribution**”). Under the terms of the CCBA, the Workforce Development Fund will be used for workforce development programs designed to create a gateway to career development first for residents of District 10 and secondly for “at risk job applicants” as defined in Section 30.21 of the City’s Administrative Code, citywide. Subject to the fiscal and other provisions of the City’s Charter, the Parties understand that the City intends to match the Workforce Contribution in services and programs for workforce development in BVHP and as otherwise set forth herein.

Section 4.3 Implementation Committee. The CCBA provides that Developer shall contribute (or cause the contribution of) Seventy Five Thousand Dollars (\$75,000) per year during the term of the CCBA for the operation of the “Implementation Committee” established under the CCBA (the “**Implementation Committee Contribution**”).

5. BUSINESS DEVELOPMENT/COMMUNITY ASSET BUILDING

Section 5.1 Community Builder Program.

(a) **Community Builder Program.** During the build out of the Project, five hundred (500) Units (not including Agency Affordable Units) across a spectrum of affordability levels (the “**Community Builder Units**”) will be made available for development by or with the assistance of Community Builders. The Community Builder Units will be distributed throughout the Project Site on Lots that are identified and Approved by the Agency in the Major Phase Approval for each Major Phase which contains Residential Projects (each such Lot, a “**Community Builder Lot**”). To increase the likelihood that Community Builders are able to participate in the development of the Community Builder Lots irrespective of their capital capacity and risk tolerance, Community Builder Units will be available for development under three (3) separate models, each of which will afford Community Builders with the opportunity to actively and substantially participate in the day-to-day responsibilities associated with the development of the Community Builder Units. Such models, each of which are more particularly described in Exhibit G-A, permit the development of Community Builder Units: (1) directly by a Community Builder (an Independent Community Builder (as defined in Exhibit G-A)); (2) by a Community Builder as an assistant developer to Vertical Developer (a Fee Developer Community Builder (as defined in Exhibit G-A)); and (3) in a joint venture consisting of a Community Builder and a Vertical Developer (including a Vertical Developer comprised of a Qualified Buyer, Developer and/or its Affiliate) (a Joint Venture Community Builder (as defined in Exhibit G-A)). The services to be provided, capital required and return or compensation associated with each model are as follows:

Model	Services	Capital Required	Return/Compensation
Independent Community Builder	All development required to construct and dispose of Community Builder Units.	Required to fund all of the costs of acquiring the applicable Lot(s) and thereafter developing the Community Builder Units in accordance with the DDA.	Any profits (or losses) applicable to such Community Builder Units.
Joint Venture Community Builder	Assist Vertical Developer with all development required to construct and dispose of Community Builder	Required to contribute a material portion of the costs of acquiring the applicable Lot(s) and thereafter developing the	Commercially reasonable return commensurate with the portion of the costs contributed by the Community Builder.

	Units.	Community Builder Units in accordance with the applicable joint venture agreement and the DDA.	
Fee Developer Community Builder	Assist Vertical Developer with development required to construct and dispose of Community Builder Units in accordance with the applicable development services agreement and the DDA.	None.	Commercially reasonable development fee commensurate with the services performed by the Community Builder.

Criteria for the selection of Community Builders and other processes and procedures of the Community Builder Program are set forth in Exhibit G-A.

(b) Agency Community Builder Protégé Program. The Agency may, at its expense, provide a protégé program that would pair Community Builders with experienced developers and real estate professionals (not including Developer or its Affiliates). Such mentors would provide Community Builders with technical support and coaching to equip such Community Builders with the skills necessary to meaningfully participate in the Community Builder program.

(c) Agency Community Partners. In keeping with the Agency’s customary practice, the Agency will use good faith efforts to involve community partners in the development of not less than three hundred (300) Agency Affordable Units. Community partners include but are not limited to non-profit organizations providing services to the residents of the greater Southeast interested and qualified to develop, co-develop, or provide social or clinical services to residents of the Agency Affordable Projects.

Section 5.2 Construction Assistance.

(a) Purpose. Developer shall provide (or cause to be provided) Two Hundred Fifty Thousand Dollars (\$250,000) per year during the development of the Project by Developer or a Transferee to an aggregate maximum amount of not more than Two Million Five Hundred Thousand Dollars (\$2,500,000) (the “**Construction Assistance Fund Contribution**”) to implement those components of the Construction Assistance Program outlined in Section 5.2(c) – (e). The obligation to provide the Construction Assistance Fund Contribution shall commence as of the date that Developer Commences the Infrastructure in the first Sub-Phase and shall accrue on each annual anniversary thereof during every year in which Developer is actively constructing the Project. Any amounts not used in a year shall carry forward to future years of the Project or, at the option of the Agency, be paid into the Community Benefits Fund.

(b) Insurance and Credit Support. In addition to the contributions set forth in Section 5.2(a), Developer shall contribute (or cause the contribution of) One Million Dollars (\$1,000,000) in all cash (the “**Credit Support Contribution**”) to the Agency. The Agency shall use the Credit Support Contribution as part of a surety bond and credit support program solely in connection with the Project. Such program, which will augment the Agency’s existing surety bond program, will provide security to assist contractors from BVHP in obtaining insurance and credit support that may be required in order to participate in the development of the Project. The obligation to contribute the Credit Support Contribution shall accrue and be made in installments of Two Hundred Fifty Thousand Dollars (\$250,000) on the date that is sixty (60) days after each of the first four (4) Major Phase Approvals (but not including the Major Phase Approval of the Stadium Major Phase, if any). To the extent any of these funds remain in the Agency’s possession upon the final Completion of the Project, the Agency shall deposit such funds in the Community Benefits Fund. In addition, Developer shall work with the Agency to provide commercially reasonable insurance or risk-management policies or programs for the benefit of contractors from BVHP such that they may participate in the development of the Project.

(c) Technical Assistance. Throughout development of the Project by Developer or a Transferee, Developer shall provide (or cause to be provided) a contractor assistant in the Project office to serve as a liaison to contractors seeking contracts for the Project. Duties of the person in that position will include providing assistance to contractors with respect to the contract bidding process and accessing the public benefits available to contractors as described in this Community Benefits Plan. In addition, the Agency and/or the City shall provide a Small Business Contracting Advocate, at their expense, whose duties shall include assisting contractors working on the Project with issues such as prompt payment and insurance and surety requirements.

(d) Contractor Workshops. Developer, the Agency and the City shall together conduct workshops to address matters related to the construction industry such as worksite safety matters, accounting procedures, legal, insurance, labor matters and other topics. Developer shall solicit requests from contractors in BVHP for additional topics of interest.

(e) Trucking Program. Developer shall maintain or develop (or cause to be maintained or developed) a program to assist truckers residing or based in BVHP in securing contracts for the trucking services needed to complete the demolition, grading, and infrastructure for the Project. The Trucking Program shall include outreach to truckers residing or based in BVHP, who will be screened for appropriate qualifications and Developer shall form and maintain a list of eligible truckers.

Section 5.3 Community Real Estate Broker Program. For each Residential Project in which Vertical Developer is Developer or its Affiliate, Vertical Developer shall use good faith efforts to provide licensed brokers and salespersons with offices in BVHP (“**Community Brokers**”) with the following:

- (a) First opportunity to preview and show Units in such Residential Project to clients of the Community Brokers;
- (b) Invitation to marketing events for Community Brokers for such Residential Project;
- (c) Marketing materials for the Units in such Residential Project to assist with marketing such Units to clients of the Community Brokers; and
- (d) Recognition and participation opportunities at homebuyer workshops related to such Residential Project.

6. **COMMUNITY BENEFITS FUND**

Section 6.1 General. The Agency shall establish and maintain a separate account or sub-account (the “**Community Benefits Fund**”) to be funded under this Article 6 and as otherwise specified in the DDA (including this Community Benefits Plan). One hundred percent (100%) of the Community Benefits Fund shall be reinvested by the Agency in the Project Site and BVHP to (a) benefit low- and moderate-income families; (b) eliminate blight; and/or (c) meet other community development needs of BVHP as determined by the BVHP Representative Entity, including those related to social services, affordable housing, education, the arts, public safety, assistance for senior citizens and other community services. Such reinvestment shall be made by the Agency following consultation as applicable with the CAC and the PAC and shall be subject to approval by the Agency Commission as a part of each of its community benefits budgets. Until such time as the BVHP Representative Entity is formed and independently operating, expenditures from the Community Benefits Fund shall be determined by the Agency Director following consultation with the CAC and the PAC as applicable.

Section 6.2 Proceeds from Sale of Market Rate Units. Each Vertical Developer shall pay (or cause payment) to the Community Benefits Fund upon the close of escrow of the initial sale to an Owner/Occupant of each Market Rate Unit an amount equal to one-half of one percent (0.5%) of the sale price of such Market Rate Unit.

7. **MISCELLANEOUS**

Section 7.1 Agency Discretion. Notwithstanding anything to the contrary set forth in this Community Benefits Plan, (i) the Agency shall have the right to make such changes to the use and distribution of funds within the control of the Agency as may be required by applicable law, and (ii) in no event shall the Agency be responsible for Developer’s costs, liabilities or obligations under the CCBA.

Section 7.2 Community Benefits Coordinator. At all times throughout development of the Project by Developer or a Transferee, Developer shall maintain a Community Benefits Coordinator who shall be the primary point of contact for issues relating to Developer’s obligations under this Community Benefits Plan.

Section 7.3 Severability. If any provision of this Community Benefits Plan, or its application to any Person or circumstance, is held invalid by any court, the invalidity or

inapplicability of such provision shall not affect any other provision of this Community Benefits Plan or the application of such provision to any other Person or circumstance, and the remaining portions of this Community Benefits Plan shall continue in full force and effect. Without limiting the foregoing, in the event that any applicable law prevents or precludes compliance with any term of this Community Benefits Plan, the Parties shall promptly modify this Community Benefits Plan to the extent necessary to comply with such law in a manner that preserves, to the greatest extent possible, the benefits to each of the Parties. In connection with the foregoing, the Parties shall develop an alternative of substantially equal, but not greater, cost and benefit to Developer and any applicable Vertical Developer so as to realize from the Project substantially the same (i) overall benefit (from a cost perspective) to the public and (ii) overall benefit to Developer and any applicable Vertical Developer. Nothing in this Section 7.3 shall be deemed to permit the Agency to amend the CCBA, require greater overall commitments than those contained therein or otherwise abrogate the commitments contained therein.

Section 7.4 No Third Party Beneficiary. Except to the extent set forth in the DDA, there are no express or implied third party beneficiaries to this Community Benefits Plan.

Section 7.5 Lot Maintenance Standards. The Agency shall use good faith efforts to maintain or cause all Community Facilities under its control to be maintained in a safe and orderly condition to the extent that there is available tax increment generated from the Project Site to do so.

Section 7.6 Definitions.

“**Additional Community Facilities**” is defined in Section 3.1.

“**Artist Relocation Plan**” is defined in Section 3.4(a).

“**Bookautomatons**” is defined in Section 3.2(a)(2).

“**BVHP**” is defined in the DDA.

“**BVHP Area Builders**” means:

- (a) developers or builders who do business in and have a primary business address in BVHP and have an established, fixed office in a non-portable building in BVHP where regular construction-related work is conducted;
- (b) developers or builders who are listed in the Permits and License Tax Paid File with the City and County of San Francisco with a business address in BVHP;
- (c) developers or builders who possess a current Business Tax Registration Certificate issued by the City and County of San Francisco that shows a primary business address in BVHP;
- (d) developers or builders who have a demonstrated history of working in BVHP;

(e) established, construction-related companies that include an owner, or owners, who live in BVHP and who possess at least fifty one percent (51%) of the ownership interest in such company; and/or

(f) non-profits, including faith-based organization(s), based in BVHP (“**BVHP Non-Profit Group**”) that provide satisfactory evidence to the Selection Panel that such BVHP Non-Profit Group either (i) itself possesses the requisite technical proficiency and experience or (ii) has a contractual relationship with a developer, builder or established, construction-related company (the “**Development Assistant**”) which provides the BVHP Non-Profit Group with the requisite Technical Qualifications (as defined below).

“**BVHP Representative Entity**” means the quasi-public entity formed under the HPS Phase 1 DDA to analyze community needs and make recommendations to the Agency Commission on the use of the Community Benefits Fund, and any successor Approved by the Agency.

“**Cold Shell**” means an unfinished interior lacking heating, ventilating, and air conditioning (commonly known as HVAC); lighting; plumbing; ceilings; elevators; and interior walls, but that includes connections to the HVAC, plumbing and other building systems.

“**Community Benefits Fund**” is defined in Section 6.1.

“**Community Benefits Payments**” means, individually or collectively as the context requires, the Scholarship Fund Contribution, the Education Improvement Fund Contribution, the Wellness Contribution, the Healthcare Predevelopment Contribution and the Credit Support Contribution.

“**Community Brokers**” is defined in Section 5.3.

“**Community Builder**” means a BVHP Area Builder selected from the Community Builders Pool in accordance with Exhibit G-A.

“**Community Builder Lot**” is defined in Section 5.1(a).

“**Community Builder Program**” means the program outlined in Section 5.1 and as more particularly described in Exhibit G-A.

“**Community Builder Units**” is defined in Section 5.1(a).

“**Community Facilities**” is defined in Section 3.1.

“**Community Facilities Entity**” is defined in Section 3.1.

“**Community Facilities Entity Selection Date**” is defined in Section 3.2.

“**Community Facilities Lots**” is defined in Section 3.1.

“**Community Facilities Space**” is defined in Section 3.1.

“**Community Facilities Space Agreement**” is defined in Section 3.2.

“**Community First Housing Fund Contribution**” is defined in Section 4.1.

“**Construction Assistance Fund Contribution**” is defined in Section 5.2(a).

“**Credit Support Contribution**” is defined in Section 5.2(b).

“**DDA**” is defined in that certain Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) to which this Community Benefits Plan is attached.

“**DPH**” means the San Francisco Department of Public Health.

“**Education Improvement Fund Contribution**” is defined in Section 1.2.

“**Existing Artists**” is defined in Section 3.4(a).

“**Fire Station Lot**” is defined in Section 3.4(d).

“**Healthcare Predevelopment Contribution**” is defined in Section 2.2.

“**Implementation Committee Contribution**” is defined in Section 4.3.

“**Market Rate Unit**” is defined in the Below-Market Rate Housing Plan.

“**Mid-Point Date**” is defined in Section 2.1.

“**Net Project Proceeds**” is defined in the Financing Plan.

“**New Shipyard Artist Studios**” is defined in Section 3.4(a).

“**OEWD**” means the Mayor’s Office of Economic and Workforce Development.

“**Owner/Occupant**” is defined in the Below-Market Rate Housing Plan.

“**Relocating Artists**” is defined in Section 3.4(a).

“**Residential Lot**” is defined in the Below-Market Rate Housing Plan.

“**Scholarship Fund Contribution**” is defined in Section 1.1.

“**SFPL**” is defined in Section 3.2(a)(2).

“**Shipyard Artist Studios**” is defined in Section 3.4(a).

“**Unit**” is defined in the Below-Market Rate Housing Plan.

“Unit Credit” is defined in the Below-Market Rate Housing Plan.

“Wellness Contribution” is defined in Section 2.1.

“Workforce Contribution” is defined in Section 4.2.