

EXHIBIT 2 TO THE THIRD AMENDMENT

Amendments to Community Benefits Plan

1. Section 7.2(a) is hereby added to the Community Benefits Plan as follows:

(a) Reporting Obligation. Commencing as of the Third Amendment Effective Date and continuing until issuance of the last Certificate of Completion for the Project, Developer shall within thirty (30) days following each Community Benefits Reporting Period (as defined below) submit a Community Benefits Status Report to the Agency. Following each such submission, if requested by the CAC or the Agency, Developer shall present a summary of such Community Benefits Status Report to the CAC or to the Agency Commission, respectively. “**Community Benefits Status Report**” means a written report that describes the status of Developer’s and, to the extent known by Developer, each Vertical Developer’s compliance with their respective obligations under this Community Benefits Plan during the immediately preceding period between January 1 and June 30 or July 1 and December 31, whichever is applicable (the “**Community Benefits Reporting Period**”). Developer may (but, for the avoidance of doubt, shall not be required to) coordinate its reporting pursuant to this Section 7.2(a) with similar reporting by HPS 1 Developer pursuant to the HPS 1 DDA. Each Assignment and Assumption Agreement entered into with a Vertical Developer following the Third Amendment Effective Date shall require the applicable Vertical Developer to reasonably cooperate with Developer in preparing such report with respect to such Vertical Developer’s obligations under this Community Benefits Plan.

2. Building 813 Site. Section 3.4(c) of the Community Benefits Plan is hereby deleted and replaced with the following:

3.4(c) Building 813 Site.

(i) Maker Space Requirement. Developer shall provide 75,000 gross square feet of maker space within the Shipyard Site to be leased for or otherwise occupied by users (each, a “**Maker**”) consistent with the definition of Maker Space in the Shipyard Redevelopment Plan (which may include space for incubation of emerging businesses) (the “**Maker Space**”), as more particularly set forth in this Section 3.4(c).

(ii) Location and Availability. Any proposed Maker Space shall be identified in the applicable Sub-Phase Application, including the building location and size of such Maker Space, provided that any such location shall, in the Agency Director’s reasonable discretion, not be materially detrimental to the successful leasing and tenancy of such Maker Space. Unless otherwise Approved by the Agency Director, (A) at least 37,500 gross square feet of Maker Space shall have been Completed to Cold Shell condition as of the date that the building that contains the 2,000,000th cumulative gross square foot of retail, research and development and office uses developed on the Shipyard Site under this DDA is Completed and (B) at least 37,500 gross square feet of Maker Space shall have been Completed to Cold Shell condition as of the date that the building that contains

the 3,000,000th cumulative gross square foot of retail, research and development and office uses developed on the Shipyard Site under this DDA is Completed.

(iii) Consideration. The rental charge or other consideration paid for the Maker Space shall be equal to not more than then-current market rates for comparable spaces in the City. Developer or Vertical Developer shall provide the Agency Director with the amount of such rental charge or other consideration prior to the commencement of the Marketing Period (as defined below) and such amount shall be subject to the Approval of the Agency Director.

(iv) Tenant Selection; Good Faith Efforts. For each Maker Space, Vertical Developer may market such Maker Space to any potential tenant, without geographic restriction, provided that Vertical Developer shall use “**Good Faith Efforts**” to identify tenants for the Maker Space, which, for the purposes of this Section 3.4(c), shall mean: (1) Vertical Developer shall create a marketing plan that identifies specific marketing actions to be taken during the Marketing Period, including those that focus on both residents and businesses located in BVHP; (2) prior to commencing marketing activities for the Maker Space, Vertical Developer shall present the marketing plan to the CAC and shall provide a copy of the marketing plan (and identification of recommendations from the CAC with respect thereto, if any, and whether they were incorporated in the marketing plan) to the Agency; (3) Vertical Developer shall commence marketing efforts for Maker Space within a particular building (including implementation of the actions specified in clause (1), above) no less than twelve (12) months and no more than eighteen (18) months (at Vertical Developer’s election) prior to Vertical Developer’s reasonable estimated date for receipt of temporary certificate of occupancy for such building, and continue until the earlier of: (i) twelve (12) months after such commencement, or (ii) until a lease or leases or other occupancy agreement(s) for the subject Maker Space are fully executed and delivered (such period, the “**Marketing Period**”); (4) at the CAC’s request, Vertical Developer shall provide a verbal report to the CAC on the status of its marketing efforts at reasonable intervals specified by the CAC; and (5) prior to commencement of the Marketing Period, Vertical Developer shall record in the Official Records an appropriate restriction against the applicable building (or portions thereof, if the Maker Space is within a separate legal parcel), specifying, as applicable: (x) the location of the Maker Space within each applicable building, (y) the restrictions established in this Section 3.4(c), and (z) that failure to comply with such restrictions shall be grounds for termination of any lease or other occupancy agreement for Maker Space, which the Agency may enforce as beneficiary of such restrictions.

(v) Temporary Relief of Obligation. If, after using Good Faith Efforts as reasonably confirmed by the Agency Director, Vertical Developer is unable to identify an appropriate tenant for any Maker Space, such Maker Space may be made available to any tenant without restriction, provided that the term of any lease or other occupancy agreement (a “**Temporary Agreement**”) with such tenant shall not exceed five (5) years. Upon the vacancy of such Maker Space, by termination of a Temporary Agreement or otherwise, Vertical Developer shall repeat the process set forth in Sections 3.4(c)(iv)(3) and (4) (except that the Marketing Period shall commence no earlier than eighteen (18) months prior to the termination of the Temporary Agreement, and proceed until the

earlier to occur of (i) twelve (12) months after such commencement, or (ii) until a lease or leases or other occupancy agreement(s) for the subject Maker Space are fully executed and delivered).

(vi) Assignment and Assumption Agreement. When Developer enters into an Assignment and Assumption Agreement in connection with the Transfer of a Lot that includes Maker Space, Developer shall assign the rights and obligations of this Section 3.4(c) to the applicable Vertical Developer with respect to such Maker Space.

(vii) Term. The obligations of this Section 3.4(c) shall automatically terminate as to any building containing Maker Space upon the first to occur of: (a) the termination of the third successive Temporary Agreement, each of no shorter than five years (whether or not such Temporary Agreements remained in effect for such five-year term); (b) the expiration of the Shipyard Redevelopment Plan; or (c) ten (10) cumulative years of occupancy by a Maker (not counting any intervening dark periods between occupants) (the “**Occupancy Period**”), provided that the Occupancy Period shall automatically extend by five (5) years upon the expiration of the then-current Occupancy Period unless otherwise Approved by the Agency Commission on the request of Vertical Developer.

(viii) Special Remedy. Without limiting any other remedies available to the Agency under this DDA, if either requirement in Section 3.4(c)(ii) to provide specified amounts of Maker Space as of the dates required therein is not satisfied, then the Agency shall be permitted in its sole and absolute discretion to withhold Sub-Phase Approval for any subsequent Sub-Phases in the Shipyard Site unless and until such requirement is satisfied or the Agency Director reasonably determines that Developer or Vertical Developer, as applicable, has made material progress to satisfy such requirement. Further, if Vertical Developer materially breaches its obligations under this Section 3.4(c) and fails to cure same within sixty (60) days following Vertical Developer’s receipt of notice thereof from the Agency (with a copy thereof to Developer), then, unless otherwise Approved by the Agency, until such breach is materially cured to the reasonable satisfaction of the Agency Developer may not count the square footage of such Maker Space against, and will not be deemed to have satisfied, its obligation to provide 75,000 square feet of Maker Space until alternative space is provided in compliance with this Section 3.4(c).

3. Community Facilities Space. Section 3.2 of the Community Benefits Plan is hereby deleted and replaced with the following:

Section 3.2 Community Facilities Space

(a) Location. 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 within a Sub-Phase, 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.

(b) Identification of Community Facilities Entity. For each Community Facilities Space, Vertical Developer shall use “**Good Faith Efforts**” to identify a list of Community Facilities Entities able to use such Community Facilities Space, which, for the purposes of this Section 3.2(b), shall mean: (i) Vertical Developer shall identify specific marketing activities that focus on residents and businesses located in BVHP and prospective tenaning standards for the Community Facilities Space; (ii) Vertical Developer shall present a merchandising plan, marketing plan and tenaning standards to the CAC prior to commencing marketing activities for the Community Facilities Space and shall provide a copy of the merchandising plan, marketing plan and tenaning standards (including recommendations from the CAC, if any, and whether they were incorporated) to the Agency; (iii) Vertical Developer shall commence marketing activities for the Community Facilities Space within a particular building that are consistent with those specified under clauses (i) and (ii), above, the “**Marketing Activities**”) no less than twelve (12) months and no more than eighteen (18) months (at Vertical Developer’s election) prior to Vertical Developer’s reasonable estimated date for receipt of temporary certificate of occupancy for such building, and continue until the earlier of: (A) twelve (12) months after such commencement, or (B) until Vertical Developer has identified at least one candidate Community Facilities Entity meeting the tenaning standards and presented it to the CAC as provided below; and (iv) record in the Official Records an appropriate restriction against the applicable building (or portions thereof, if the Community Facilities Space is within a separate legal parcel) so that such Community Facilities Space remains Community Facilities Space subject to the restrictions herein for the life of the building in which it is located.

(c) Community Facilities Entity Selection. Vertical Developer shall present its candidate Community Facilities Entity(ies) to the CAC. The CAC shall hear proposals from the candidate or candidates, (if the candidates so choose) and shall recommend the candidate the CAC finds most closely meets the tenaning standards (“**Approved Community Facilities Entity**”). As soon as reasonably possible thereafter, Vertical Developer shall provide the Community Facilities Space to the Approved Community Facilities Entity in Warm 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 lease or 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, downtime for refurbishment of tenant improvements, 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 one hundred eighty (180) days 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, unless otherwise Approved by the Agency, Vertical Developer shall use Good Faith Efforts to find a new Community Facilities Entity for the Community Facilities Space and provide such Community Facilities Space, each as set forth above. Unless otherwise Approved by the Agency, if Vertical Developer is unable to select a new Community Facilities Entity within one hundred eighty (180) days after the date 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 the Community Facilities Space to any user without restriction, provided 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.

(d) Temporary Relief of Obligation. If, after using Good Faith Efforts as reasonably confirmed by the Agency Director, Vertical Developer is unable to identify a candidate Community Facilities Entity meeting the tenancing standards for a particular Community Facilities Space, such Community Facilities Space may be made available to any tenant without restriction, provided that the term of any lease or other occupancy agreement with such tenant shall not exceed five (5) years (“**Temporary Agreement**”). Upon the vacancy of such Community Facilities Space, by termination of a Temporary Agreement or otherwise, Vertical Developer shall again employ Good Faith Efforts to locate candidate Community Facilities Entities meeting the tenancing standards (except that the Marketing Activities shall be commenced no earlier than eighteen (18) months prior to the termination of the applicable Temporary Agreement, and shall continue until the earlier of twelve (12) months after such commencement or until Vertical Developer identifies at least one candidate Community Facilities Entities meeting the tenancing standards, which shall thereafter be presented to the CAC as provided above). Developer may assign the rights and obligations of this Section 3.2 in any Assignment and Assumption Agreement to a Vertical Developer that includes the Transfer of a Lot that includes Community Facilities Space.

(e) 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.

4. Artists’ Space. Section 3.4(a)(v) of the Community Benefits Plan is hereby deleted and replaced with the following:

(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 CAC, to complement the Shipyard Artists Studios by providing to the Agency, at no cost to the Agency and in Developer’s sole discretion, either (a) 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 or, as an alternative, (b) a Warm Shell space for use by artists and the Bayview community that would be no less than ten thousand (10,000) square feet and no more than fifteen thousand (15,000) square feet of useable space.

5. Warm Shell. The following definition is hereby added to section 7.6 of the Community Benefits Plan:

“**Warm Shell**” means improvement to include the following, provided that code-based requirements shall mean Applicable City Regulations: (i) finished-dry-walled paint-ready demising and perimeter walls, HVAC (heating, ventilating, and air conditioning) primary distribution and secondary distribution (if required) to the space, stubbed domestic water line, stubbed gas line (if required), open ceilings with standard insulation (no special insulation for sound acoustics) and ceiling lighting, temporary life safety systems to the extent required by Applicable City Regulations, live fire sprinklers (heads turned down), the minimum code required restroom(s) with basic relative commercial grade finishes, utility connection roughs to the space, all in compliance with Applicable City Regulations; (ii) electrical system provided from the service point-of-entry distributed to main electrical room containing switchgear, to the transformers and panel boards that shall distribute each space by floor, whereby a branch electrical panel shall be installed including branch wiring and minimum code required outlets, and any other lighting required by Applicable City Regulations; (iii) floor pours up to finished grade (without finished materials i.e., carpeting, staining, etc., including subgrade preparation (foam or

other fill material below finished floor where applicable), in a manner allowing for provision of plumbing to be located under the slab; and (iv) a space for mechanical equipment, trash and recycle rooms outside of the space provided in reasonable proximity to the space (in the case of the trash and recycle rooms, it shall be on the ground floor). The Warm Shell improvements shall be provided in a standardized format in accordance with plans, specifications, and construction drawings approved by Vertical Developer. All utility activations and services associated with Warm Shell improvements referenced above shall be in the tenant's name.