

EXHIBIT H-C

Form of Acquisition and Reimbursement Agreement

[ATTACHED]

**ACQUISITION AND REIMBURSEMENT AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

by and between

**REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO,
a public body, corporate and politic, of the State of California**

and

**CP DEVELOPMENT CO., LP,
a Delaware limited partnership**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1. FUNDING.....	1
1.1 Use of Funding Sources	1
1.2 Supplements to Exhibit A	1
1.3 Supplements to Exhibit B	2
1.4 Review and Approval of Supplements	2
1.5 Funding Sources.....	3
1.6 Deposits of Funding Sources	3
1.7 Payment of Certain Costs.....	4
ARTICLE 2. CONSTRUCTION OF ACQUISITION FACILITIES	4
2.1 Plans.....	4
2.2 Obligation to Construct Acquisition Facilities Governed by DDA	4
2.3 Relationship to Public Works Contracting Requirements	5
2.4 Independent Contractor.....	5
ARTICLE 3. ACQUISITION AND PAYMENT OF ACQUISITION FACILITIES.....	6
3.1 Inspection.....	6
3.2 Agreement to Sell and Purchase Acquisition Facilities.....	6
3.3 Component Financing.....	6
3.4 Defective or Nonconforming Work	7
3.5 Conveyance of Land, Title.....	7
ARTICLE 4. PAYMENT REQUESTS FOR ACQUISITION FACILITIES AND COMPONENTS	7
4.1 Payment Requests	7
4.2 Processing Payment Requests for Acquisition Facilities and Components.....	9
4.3 Payment.....	10
4.4 Restrictions on Payments for Acquisition Facilities and Components.....	10
ARTICLE 5. PAYMENT REQUESTS FOR AUTHORIZED PAYMENTS	12
5.1 Authorized Payments	12
5.2 Processing Payment Requests for Authorized Payments.....	12
5.3 Payment.....	12
ARTICLE 6. PAYMENT REQUESTS GENERALLY; VESTING; COVENANTS	13

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
6.1 Application of Payment Requests.....	13
6.2 Partial Payments; Vested Payment Requests.....	13
6.3 Deposit of Payment Requests	14
6.4 Supplemental Obligation Financing and Alternative Financing.....	14
6.5 Miscellaneous	14
ARTICLE 7. REPRESENTATIONS AND WARRANTIES.....	15
7.1 Representations and Warranties of Developer.....	15
7.2 Representations and Warranties of the Agency	15
ARTICLE 8. MISCELLANEOUS	15
8.1 Limited Liability of the Agency and the City.....	15
8.2 Attorneys' Fees	16
8.3 Notices	16
8.4 Successors and Assigns.....	16
8.5 Other Agreements	16
8.6 Waiver.....	16
8.7 Parties in Interest.....	16
8.8 Amendment.....	17
8.9 Counterparts.....	17
8.10 Interpretation of Agreement.....	17
ARTICLE 9. DEFINITIONS.....	17
9.1 Definitions.....	17

LIST OF EXHIBITS

- Exhibit A Description of Acquisition Facilities and Authorized Payments to Be Financed for the Project
- Exhibit B Description of Acquisition Facilities and Components with Cost Estimates, and Authorized Payments and Components
- Exhibit C Form of Payment Request – Acquisition Facilities and Components
- Exhibit C-1 Acquisition Facilities and Components to Which Payment Request Applies
- Exhibit C-2 Calculation of Actual Cost
- Exhibit D Form of Payment Request – Authorized Payments

**ACQUISITION AND REIMBURSEMENT AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

This ACQUISITION AND REIMBURSEMENT AGREEMENT (including any Supplement, this “**Agreement**”), dated for reference purposes only as of June 3, 2010, is by and between the Agency and Developer. As used in this Agreement, terms defined in Article 9 have the meanings given to them in Article 9. Capitalized terms used but not otherwise defined in this Agreement have the definitions given to them in the DDA.

RECITALS

A. Financing Plan; Interagency Cooperation Agreement. The Agency and Developer have entered into the DDA, which includes the Financing Plan, to establish the contractual framework for mutual cooperation in achieving the Funding Goals necessary to implement the Project. With Developer’s consent, the Agency and the City have entered into the Interagency Cooperation Agreement, under which, among other things, the Agency delegates to the City, and the City accepts, lead responsibility for certain actions necessary for the development of the Project.

B. Purpose of this Agreement. This Agreement describes the procedures by which, at Developer’s request, the Agency will: (1) inspect and accept Infrastructure and other Improvements that Developer constructs under the DDA; (2) pay Developer for Actual Costs of the Acquisition Facilities and Components from available Funding Sources; and (3) pay Developer for Authorized Payments from available Funding Sources.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and the Agency hereby agree as follows:

**ARTICLE 1
FUNDING**

1.1 Use of Funding Sources. This Agreement: (a) implements and is subject to all limitations of the DDA and the Financing Plan; (b) will become effective on the later to occur of: (i) the date the DDA becomes effective; or (ii) the full execution and delivery of this Agreement (the “**Effective Date**”); and (c) describes the procedures by which, at Developer’s request, the Agency will use available Funding Sources to make payments to Developer for the Actual Costs of the Acquisition Facilities and Components and for Authorized Payments, each as contemplated in the Financing Plan. To the extent set forth in an Assignment and Assumption Agreement, Developer will mean a Transferee.

1.2 Supplements to Exhibit A. The Parties intend Exhibit A to be a complete list of all items eligible and intended to be financed by Funding Sources under the Financing Plan. Exhibit A sets forth: (a) reasonably detailed descriptions of all of the Acquisition Facilities; and (b) all Authorized Payments. At any time, Developer may submit proposed Supplements to Exhibit A for review in accordance with Section 1.4 that describe in reasonable detail any proposed revisions or additions to the Acquisition Facilities or Authorized Payments.

1.3 Supplements to Exhibit B. The Parties intend Exhibit B to be a refinement of Exhibit A as the Parties obtain more information about the Acquisition Facilities and Authorized Payments, and the Actual Costs that are to be reimbursed under this Agreement. At any time, Developer may submit proposed Supplements to Exhibit B for review in accordance with Section 1.4 that: (a) describe and provide detail on any portion of the Acquisition Facilities set forth on Exhibit A, including the identification and detail of any Components thereof; (b) provide estimates of the Actual Costs of any portion of the Acquisition Facilities set forth on Exhibit A, including of any Components thereof; (c) update the amounts of any Authorized Payments; and (d) otherwise update or modify any other information in Exhibit B. The Parties agree that the Agency will not be obligated to pay Developer for the Actual Cost of an Acquisition Facility or a Component or for an Authorized Payment under this Agreement unless such Acquisition Facility or Component and its estimated Actual Cost or Authorized Payment is set forth on Exhibit B.

1.4 Review and Approval of Supplements. Under the Interagency Cooperation Agreement, the Department of Public Works will be the lead City agency to facilitate coordinated review of Project Applications and will assist the Agency as provided under this Agreement. Except as specifically provided otherwise in this Agreement or the Interagency Cooperation Agreement: (a) the Department of Public Works will be the lead City agency responsible for review of Developer's estimated Actual Costs and of any changes to its estimates of Actual Costs of Acquisition Facilities and Components contained in any Supplements submitted under this Agreement, and the Agency will be the lead agency responsible for review and approval of Supplements relating to Authorized Payments under this Agreement (as applicable, the "**Reviewing Party**"), subject to the following:

(a) Upon Developer's written request, the Reviewing Party will meet with representatives of Developer to establish acceptable contents of any Supplements to Exhibit A or Exhibit B. The Reviewing Party will have thirty (30) days after receipt of a proposed Supplement submitted with Developer's written request for review and approval to accept or object in writing to all or any portion of the proposed Supplement. Developer may resubmit any proposed Supplement to which the Reviewing Party has timely objected, and the Reviewing Party will have thirty (30) days to review any resubmitted proposed Supplement. The term "**Supplement Review Period**" as used later in this Agreement will mean the applicable period specified above in this Section 1.4(a). If the Reviewing Party fails to notify Developer that a Supplement is disapproved within the Supplement Review Period, then the Supplement will be Deemed Approved.

(b) The Reviewing Party will only be required to review a proposed Supplement after it is complete and contains all of the information set forth in Section 1.2 or Section 1.3, as applicable, and any supporting materials reasonably requested in writing by the Reviewing Party in connection with the proposed Supplement. The Supplement Review Period will be tolled: (i) as to a Supplement for which the Reviewing Party has requested additional information or materials, until such requested information or materials have been provided to the Reviewing Party; and (ii) as to any additional Supplement proposed by Developer during any Supplement Review Period, until any previously-submitted Supplement has been reviewed and approved, timely objected to or Deemed Approved, unless the Parties agree to a different order of priority for the Reviewing Party's review. Within the Supplement Review Period, as it may

be tolled under this Section 1.4(b), the Reviewing Party will send a notice of Approval or disapproval to Developer. Any notice of disapproval must state with specificity the Reviewing Party's grounds for disapproval, which must be made in good faith and will be limited to the following:

(i) For disapproval of a proposed Supplement to Exhibit A:
(A) a proposed Acquisition Facility or Authorized Payment is not contemplated to be financed by the DDA; or (B) a proposed Acquisition Facility or Authorized Payment may not be financed under the Governing Acts or the DDA.

(ii) For disapproval of a proposed Supplement to Exhibit B:
(A) specified Acquisition Facilities or Authorized Payments are not listed on Exhibit A;
(B) specified Components are not components of Acquisition Facilities listed on Exhibit A;
(C) for an Acquisition Facility with an estimated Actual Cost of one million dollars (\$1,000,000) or less, a proposed Component is not a complete, functional portion of an Acquisition Facility; or
(D) all or any portion of the specified Components are not eligible to be financed as components under the Governing Acts.

(c) Any proposed Supplement Approved or Deemed Approved in accordance with this Section 1.4 will be made a part of Exhibit A or Exhibit B, as applicable, without further approval of the Agency or the City.

1.5 Funding Sources.

(a) The Agency will not be obligated to pay all or any part of the Actual Cost of an Acquisition Facility or Component, or all or any part of any Authorized Payment, under this Agreement except from Funding Sources. The Agency will have no liability to pay all or any part of the Actual Cost of an Acquisition Facility or Component, or all or any part of any Authorized Payment, if the Acquisition Facility, Component, or Authorized Payment is determined to be ineligible to be financed under the Governing Acts, even if the Agency or the Department of Public Works did not object to the Exhibit or Supplement listing it on the grounds of ineligibility.

(b) Developer acknowledges that if the Agency and Developer agree to issue escrow bonds as part of a Public Financing and funds are deposited in an escrow fund, escrowed amounts will become Funding Sources: (i) only after release from the escrow fund and satisfaction of all escrow requirements; and (ii) in the amounts specified in the applicable Indenture. The Agency agrees to take all reasonable actions necessary to cause the release of funds from an escrow fund after all conditions for their release have been satisfied.

(c) The Agency makes no warranty, express or implied, that Funding Sources will be sufficient to pay for all of the Acquisition Facilities, Components, and Authorized Payments.

1.6 Deposits of Funding Sources.

(a) The proceeds of any Public Financing will be deposited, held, invested, reinvested, and disbursed as provided in the respective Indenture, all in a manner

consistent with the Financing Plan and this Agreement. The portion of the proceeds of each Public Financing that is used to fund reserves for debt service, to capitalize interest on the Public Financing, and to pay costs of issuance and administration will not constitute Funding Sources.

(b) All Remainder Taxes generated from a CFD will be deposited and held in, and invested, reinvested, and disbursed from the applicable Remainder Taxes Project Account. Developer acknowledges that without the consent of the Agency, Remainder Taxes for a CFD will not be available to pay the Actual Costs of Acquisition Facilities or Components or Authorized Payments under this Agreement after the CFD Conversion Date for such CFD.

(c) All Net Available Increment and Housing Increment will be held by the Agency in one or more accounts created by the Agency and disbursed as set forth in the Financing Plan.

(d) Developer agrees that the Agency alone will direct the investment of Funding Sources in accordance with the Agency's investment policy and all applicable laws and the applicable Indentures. The Agency will have no responsibility to Developer with respect to any investment of Funding Sources before their use under this Agreement, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment so long as the investments were made in accordance with all applicable laws and the applicable Indenture, even if a loss diminishes the amount of available Funding Sources.

1.7 Payment of Certain Costs.

(a) The Agency agrees to reimburse Developer for the Authorized Payments constituting Pre-Agreement Costs from the first available Funding Sources until paid in full.

(b) The Agency and Developer agree that certain professional and consulting costs that Developer incurs in connection with the issuance of Public Financings will be financed with proceeds of the Public Financing to the extent permitted by the applicable Governing Act.

ARTICLE 2 CONSTRUCTION OF ACQUISITION FACILITIES

2.1 Plans. Developer will prepare and obtain approval by each applicable Governmental Entity of all Plans for the Acquisition Facilities in accordance with, and at the times necessary to comply with the provisions of, the DDA and, to the extent applicable, the State Parks Agreement and the Alice Griffith DDA.

2.2 Obligation to Construct Acquisition Facilities Governed by DDA. Developer's obligation to construct the Acquisition Facilities is governed solely by the DDA. This Agreement does not create an obligation to construct any Acquisition Facility or Component. This Article 2 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of the Actual Costs under this Agreement.

2.3 Relationship to Public Works Contracting Requirements.

(a) This Agreement provides for the Agency's acquisition of the Acquisition Facilities and payment for Components from time to time from Funding Sources and is not intended to be a public works contract. The Agency and Developer acknowledge and agree that the Acquisition Facilities and Components are of local, and not state-wide, concern, and that the provisions of the California Public Contract Code do not apply to the construction of the Acquisition Facilities and Components. The Agency and Developer further acknowledge and agree that any public works contracting requirements of the City and the Agency are not applicable to the construction and acquisition of the Acquisition Facilities or any Component. The Agency and Developer agree that Developer will award all contracts for the construction of the Acquisition Facilities and the Components, and that requiring Developer to comply with the Public Contract Code and the public works contracting requirements of the City and the Agency would be incongruous and would not produce an advantage to the City, the Agency, or any CFD.

(b) Developer agrees to award all contracts for construction of the Acquisition Facilities and Components in a manner consistent with the DDA, including as required under the Agency Policies.

(c) From time to time at the request of the Agency, representatives of Developer must meet and confer with the Agency and Department of Public Works staff, consultants, and contractors regarding matters arising under this Agreement with respect to the Acquisition Facilities and any Components, compliance with Agency bidding requirements, and the progress in constructing and acquiring the same, and as to any other matter related to the Acquisition Facilities or this Agreement. The Agency and Department of Public Works staff will have the right: (i) to attend (and at the request of Developer will attend) meetings between Developer and its contractors relating to the Acquisition Facilities and Components; and (ii) to meet and confer with individual contractors and Developer if deemed advisable by the Agency to resolve disputes or ensure the proper completion of the Acquisition Facilities and Components.

2.4 Independent Contractor.

(a) In performing under this Agreement, Developer is an independent contractor and not the agent or employee of the Agency, the City, or any CFD. Except as otherwise provided in this Agreement, none of the Agency, the City, or any CFD will be responsible for making any payments to any contractor, subcontractor, agent, consultant, employee, or supplier of Developer.

(b) The Agency has determined that it would obtain no advantage by directly undertaking the construction of the Acquisition Facilities, and that the DDA requires that the Acquisition Facilities be constructed by Developer as if they had been constructed under the direction and supervision, or under the authority, of the Agency, the City, and any Other Public Agency that will own or operate the Acquisition Facilities.

ARTICLE 3
ACQUISITION AND PAYMENT OF ACQUISITION FACILITIES

3.1 Inspection.

(a) This Article 3 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of Actual Costs under this Agreement.

(b) Except as set forth in Section 3.3, the Agency will not be obligated to pay the Actual Costs of Acquisition Facilities or Components under this Agreement to Developer until the applicable Acquisition Facility or Component has been inspected as required by the Interagency Cooperation Agreement and found by the Director of Public Works to be completed substantially in conformance with the Plans and otherwise consistent with the DDA and any Applicable City Regulations and ready for its intended use.

(c) For Acquisition Facilities and Components to be acquired by the Agency or the City, the Director of Public Works will arrange for the inspection to commence within five (5) days following receipt of Developer's written request to inspect Acquisition Facilities or Components that Developer believes in good faith are ready for inspection (the "**Inspection Request**"). The inspection of the Acquisition Facilities and Components to be acquired by the Agency or the City will be governed by the procedures developed by the City and Agency that are consistent with the Applicable City Regulations and are Approved by Developer. The inspection will be conducted with due diligence and in a reasonable time given the scope of the inspection but not to exceed twenty-one (21) days. Within five (5) days following the completion of the inspection, the Director of Public Works shall notify Developer of the results of the inspection by providing a written notice that the Acquisition Facility or Component has been Approved as inspected or by providing a punch list of items to be corrected.

3.2 Agreement to Sell and Purchase Acquisition Facilities. Developer agrees to sell Acquisition Facilities and Components to the Agency, the City, or Other Public Agency(ies), and the Agency agrees to use Funding Sources to pay the Actual Cost of the Acquisition Facilities and Components to Developer, subject to this Agreement and the Financing Plan.

3.3 Component Financing.

(a) Section 53313.51 of the CFD Act authorizes the purchase of a Component of an Acquisition Facility with an estimated cost of up to one million dollars (\$1,000,000), but only if the Component is capable of serviceable use as determined by the Agency, City or Other Public Agency, as applicable. Subject to the availability of Funding Sources, the Agency agrees to pay to Developer the Actual Cost of such Components under this Section 3.3(a) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the Agency, the City, or Other Public Agency of title to the Acquisition Facility and the property underlying applicable Component. A reasonably detailed description and estimated Actual Cost

of each Component to be financed under this Section 3.3(a) must be listed on Exhibit B through an Approved or Deemed Approved Supplement.

(b) If the estimated cost of an Acquisition Facility exceeds one million dollars (\$1,000,000), section 53313.51 of the CFD Act authorizes the purchase of Components whether or not the Components are capable of serviceable use. Subject to the availability of Funding Sources, the Agency agrees to pay to Developer the Actual Cost of such Components under this Section 3.3(b) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the Agency, the City, or Other Public Agency of title to the Acquisition Facility and the property underlying the Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 3.3(b) must be listed on Exhibit B through an Approved or Deemed Approved Supplement.

(c) Developer acknowledges that the Agency, the City, or Other Public Agency, as applicable, will not be obligated to accept an Acquisition Facility of which a Component is a part until the entire Acquisition Facility has been constructed as required under the DDA and determined to be Complete. The Agency acknowledges that a Component does not have to be accepted by the Agency, the City, or Other Public Agency as a condition precedent to the payment of the Actual Cost of the Component.

(d) The procedures for payment of the Actual Cost of a Component described in this Section 3.3 will be governed by Article 4.

3.4 Defective or Nonconforming Work. If the Director of Public Works finds any of the work done or materials furnished for an Acquisition Facility or Component to be defective or not in conformance with the applicable Plans and the Applicable City Regulations and such finding is made: (a) prior to payment of the Actual Cost of such Acquisition Facility or Component, the Agency may withhold the applicable payment until such defect or nonconformance is corrected to the satisfaction of the Director of Public Works; or (b) after payment of the Actual Cost of such Acquisition Facility or Component, then the DDA will govern cure rights and obligations.

3.5 Conveyance of Land, Title. The transfer of, maintenance of, and right of entry with respect to all land on, in, or over which any of the Acquisition Facilities will be located will be governed by the DDA, the Applicable City Regulations, and, as applicable, any Permit to Enter or other access agreement for the land, and the Interagency Cooperation Agreement.

ARTICLE 4

PAYMENT REQUESTS FOR ACQUISITION FACILITIES AND COMPONENTS

4.1 Payment Requests.

(a) To initiate the process for payment of the Actual Cost of an Acquisition Facility or Component, Developer must deliver to the Director of Public Works a Payment Request in the form of Exhibit C that contains all relevant information, including the identity of all Funding Sources that are eligible to be used to pay it (the “**Identified Funding**

Sources”), together with all required attachments and exhibits, all in an organized manner. Required attachments include:

(i) a copy of the Director of Public Works’ notice that the Acquisition Facility or Component has been inspected and Approved for payment or, if applicable, written evidence that the applicable Other Public Agency has found the Acquisition Facility or Component acceptable; and

(ii) Proof of Payment evidencing that the Actual Costs were previously incurred and, if applicable, paid, for the Acquisition Facility or Component, except for any Actual Costs to be paid directly to a Third Party at Developer’s request.

(b) Any Payment Request for a Component must be supported by the following documentation:

(i) a statement specifying each contractor, subcontractor, materialman, and other Person with whom Developer or its contractor has entered into contracts with respect to any Component included in the Payment Request and, for each of them: (A) the amount of each such contract; and (B) the amount of the requested Actual Cost attributable to each specific contractor, subcontractor, materialman, and other Person; and

(ii) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Component, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(c) A Payment Request for a Completed Acquisition Facility will be complete only after Developer has submitted all of the following documents, to the extent applicable:

(i) if the real property on which the Acquisition Facility is located is not owned by the Agency, the City, or Other Public Agency at the time of the request, a copy of the recorded document(s) conveying Acceptable Title to the real property to the Agency, the City, or Other Public Agency, as applicable;

(ii) a copy of the determination of completeness issued by the Director of Public Works under Section 3.1(c) for the Acquisition Facility or, if applicable, similar evidence that the Other Public Agency has found the Acquisition Facility to be Complete;

(iii) an executed assignment of any warranties and guaranties for the Acquisition Facility, in a form acceptable to the Agency, the City, or Other Public Agency, as applicable; and

(iv) as-built drawings and an executed assignment of the Plans, to the extent reasonably obtainable.

(d) Developer will specify the “**Developer Allocation**” that is included in the calculation of the Actual Cost in Exhibit C-2 to each Payment Request under this Article 4, showing how Developer has allocated the following costs paid or incurred by Developer (as applicable):

(i) costs that apply to more than one Acquisition Facility or Component (e.g., Soft Costs), as allocated between the Acquisition Facilities or Components;

(ii) costs that apply to both Acquisition Facilities or Components and other improvements (e.g., grading), as allocated between the Acquisition Facilities or Components and the other improvements; and

(iii) amounts paid to the City and the Agency that apply to more than one Acquisition Facility or Component (e.g., inspection fees, Agency Costs, plan review fees, etc.), as allocated between the Acquisition Facilities or Components.

4.2 Processing Payment Requests for Acquisition Facilities and Components.

(a) Within ten (10) days after receipt of any Payment Request, the Director of Public Works will review the Payment Request to: (i) determine that it is complete; or (ii) determine that the Payment Request is incomplete and to request additional information and documentation reasonably necessary for the Director to complete the review. If the Director fails to notify Developer within the 10-day review period that a Payment Request is incomplete, the Payment Request will be deemed complete. Developer agrees to cooperate with the Director of Public Works in conducting each such review and to provide the Director of Public Works with such additional information and documentation as is reasonably necessary for the Director of Public Works to conclude each such review.

(b) Within thirty (30) days after the date a Payment Request is determined or deemed to be complete under Section 4.2(a), the Director of Public Works will review the Payment Request to confirm that all conditions in Article 3 and Section 4.1 have been satisfied, to the extent applicable, and provide notice to Developer either that: (i) the Payment Request is Approved (which will be confirmed by counter-signing the Payment Request); or (ii) the Payment Request is disapproved in whole or in part, specifying in the notice the portion of the Payment Request that is disapproved and the reason(s) for disapproval. If the Payment Request is disapproved in part, the Director of Public Works will forward the Payment Request to the Agency for partial payment under Section 4.3, together with a copy of the Director’s notice of disapproval to Developer. Developer may resubmit any Payment Request disapproved in whole or in part with additional supporting documentation, and the Director of Public Works will review it within the amount of time that is reasonable in light of the materiality of the reasons for the disapproval, not to exceed fourteen (14) days. If the Director of Public Works fails to notify Developer within the review period that a Payment Request is Approved or disapproved, then the Payment Request will be Deemed Approved.

(c) The period within which the Director of Public Works must review a Payment Request under Section 4.2(a) or Section 4.2(b) will be tolled: (i) as to any Payment Request, until Developer has provided any additional information or documentation that the

Director of Public Works has requested under Section 4.2(a) or Section 4.2(b); and (ii) as to any additional Payment Request submitted by Developer during the review period under Section 4.2(a) or Section 4.2(b), until all previously-submitted Payment Requests have been reviewed and approved, disapproved or Deemed Approved, unless the Parties agree to a different order of priority for review by the Director of Public Works.

(d) The process for review of the Payment Requests is subject to Article 6.

4.3 Payment.

(a) Within five (5) days after Approving a Payment Request or after the Deemed Approval of a Payment Request, the Director of Public Works will forward the counter-signed Approved Payment Request to the Agency. If the Director of Public Works has not forwarded a counter-signed Approved Payment Request within that period, Developer will have the right to deliver the unsigned Payment Request, together with proof of its delivery to the Director of Public Works, directly to the Agency, with a copy to the Director of Public Works.

(b) The Developer Allocations will be presumed to be reasonable and will be accepted for all purposes of this Agreement unless the Agency notifies Developer of the Agency's good-faith objection to the Developer Allocation shown in the Payment Request within five (5) days after the Agency receives the counter-signed Payment Request from the Director of Public Works or unsigned Payment Request and proof of delivery from Developer. If the Agency has timely objected to the Developer Allocation, then the Agency and Developer will promptly meet and confer in an attempt to agree on how to allocate such costs on a reasonable basis (the "**Agreed-Upon Allocation**").

(c) The Agency Finance Deputy must pay the Actual Cost to the extent of available Identified Funding Sources within fifteen (15) business days after the Agency's receipt of a counter-signed Approved Payment Request (or an unsigned Payment Request and proof of delivery). If the Agency objected to the Developer Allocation under Section 4.3(b), then the Agency may withhold payment of the Developer Allocation until the Agency and Developer agree on the Agreed-Upon Allocation, in which case the withheld allocations will be paid by the Agency to Developer within fifteen (15) business days thereafter. At the written request of Developer, the Agency will make payments under any Approved or Deemed Approved Payment Requests directly to a Third Party, such as a contractor or supplier of materials.

(d) The Agency and Developer acknowledge sections 4.4(c), 4.6(a), and 4.6(b) of the Financing Plan as they apply to the relative timing of acceptance of Acquisition Facilities and Components and the payment of the Actual Cost of such Acquisition Facilities and Components.

4.4 Restrictions on Payments for Acquisition Facilities and Components. The following restrictions will apply to any payments made to Developer under Section 4.3:

(a) The total amount paid for any Acquisition Facility or Component must not exceed the lesser of the Actual Cost or value. Any Acquisition Facility or Component

constructed in accordance with the Plans will be presumed to have a value equal to its Actual Cost unless either Developer or the Agency provides evidence that extraordinary costs have been incurred. Promptly following the notice, the Agency and Developer will meet and confer to review the Actual Costs and make a reasonable determination of value. The Parties acknowledge and agree that all payments to Developer for the Actual Costs are intended to be payments to Developer for monies already expended or for immediate payment by Developer (or directly by the Agency) to Third Parties. Costs will not constitute extraordinary costs unless the Agency can demonstrate that the costs are commercially unreasonable under the circumstances.

(b) The Agency will withhold final payment for any Completed Acquisition Facility (but not for any Component that is not the final Component of an Acquisition Facility) constructed in, on, or over land, until Acceptable Title to such land has been conveyed to the City, the Agency, or Other Public Agency, if required under Section 4.1(c).

(c) The Agency may withhold final payment for any Completed Acquisition Facility (if it has no Components) or the final Component of any Completed Acquisition Facility until: (i) the Completed Acquisition Facility has been finally inspected as provided in Section 3.1; (ii) the Acceptance Date for the Acquisition Facility has occurred and the requirements of Section 4.1 have been satisfied to the extent applicable, or Developer has provided the Director of Public Works with evidence that the Other Public Agency has accepted dedication of and title to the Acquisition Facility; and (iii) general lien releases for the Acquisition Facility (conditioned solely upon payment from Funding Sources to be used to acquire such Acquisition Facility or final Component) have been submitted to the Director of Public Works.

(d) Nothing in this Agreement prohibits Developer from contesting in good faith the validity or amount of any mechanics' or materialman's lien or limits the remedies available to Developer with respect to such liens so long as any resulting delays do not subject the Acquisition Facilities or any Component to foreclosure, forfeiture, or sale. If Developer contests any such lien, Developer will only be required to post or cause the delivery of a bond in an amount equal to the amount in dispute with respect to any such contested lien, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works. In addition, the Agency agrees that Developer will have the right to post or cause the appropriate contractor or subcontractor to post a bond with the Agency to indemnify the Agency and the City for any losses sustained by the Agency or the City because of any liens that may exist at the time of acceptance of such an Acquisition Facility, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works.

(e) The Agency will be entitled to withhold from the amounts payable under each Payment Request a portion for retention as authorized by Agency policies and procedures that constitute Applicable City Regulations, but in any case not to exceed ten percent (10%) of the amount of the Actual Cost of an Acquisition Facility or Component. The Agency will be obligated to release any retention it withholds in accordance with applicable Agency policies and procedures.

ARTICLE 5
PAYMENT REQUESTS FOR AUTHORIZED PAYMENTS

5.1 Authorized Payments. In order to receive reimbursement of an Authorized Payment, Developer must deliver to the Agency a Payment Request in the form of Exhibit D that contains all required information and attachments, as applicable, such as: (a) Identified Funding Sources; (b) Proof of Payment; and (c) for interest-bearing Authorized Payments, a calculation showing the amounts accrued and the outstanding and unpaid balance after the application of any Funding Sources as of the date the Payment Request is submitted (“**Authorized Payment Calculation**”).

5.2 Processing Payment Requests for Authorized Payments.

(a) Within ten (10) days after receipt of a Payment Request for an Authorized Payment, the Agency Director will review the Payment Request to confirm that it is complete and the calculations are accurate and notify Developer whether the Payment Request is complete and Approved (which will be confirmed by counter-signing the Payment Request), and, if not, specify the reason(s) for any disapproval. Developer agrees to cooperate with the Agency Director in conducting each such review and to provide the Agency Director with such additional information and documentation as is reasonably necessary for the Agency Director to conclude each such review. If the Payment Request is disapproved, Developer may resubmit it for approval, and the Agency Director will review it within the amount of time that is reasonable in light of the materiality of the reasons for disapproval, not to exceed ten (10) days. If the Agency Director fails to notify Developer that a Payment Request is Approved or disapproved within the review period, then the Payment Request will be Deemed Approved.

(b) The period within which the Agency Director must review a Payment Request under Section 5.2(a) will be tolled: (i) as to any Payment Request, until Developer has provided any additional information or documentation that the Agency Director has requested under Section 5.2(a); and (ii) as to any additional Payment Request submitted by Developer during the review period under Section 5.2(a), until all previously-submitted Payment Requests have been reviewed and approved, disapproved or Deemed Approved, unless the Parties agree to a different order of priority for review by the Agency Director.

(c) The process for review of the Payment Requests for Authorized Payments is subject to Article 6.

5.3 Payment.

(a) Within five (5) days after the Approval or Deemed Approval of a Payment Request, the Agency Director will forward the counter-signed Approved Payment Request to the Agency Finance Deputy. If the Agency Director has not forwarded the counter-signed Approved Payment Request within five (5) days after Approving the Payment Request, or it is Deemed Approved pursuant to Section 5.2(a), Developer will have the right to forward the unsigned Payment Request, together with proof of its delivery to the Agency Director, directly to the Agency Finance Deputy, with a copy to the Agency Director. The Agency Finance Deputy must pay the Approved or Deemed Approved Payment Request from available Identified

Funding Sources within fifteen (15) business days after receipt of a counter-signed Approved Payment Request (or an unsigned Payment Request and proof of delivery).

ARTICLE 6 PAYMENT REQUESTS GENERALLY; VESTING; COVENANTS

6.1 Application of Payment Requests.

(a) Each Payment Request will be numbered consecutively. Each Payment Request will be assigned the next available number when submitted to the Director of Public Works or the Agency Director, as applicable, pursuant to Section 4.2 or Section 5.2.

(b) Each Payment Request will identify the Major Phase and Sub-Phase in which the work is being conducted or to which the Authorized Payment is allocated and all the Identified Funding Sources that are eligible to be used to pay it.

(c) The Agency will satisfy a Payment Request only from the Identified Funding Sources.

(d) If the Identified Funding Source is Net Available Increment, the Agency shall ensure compliance with section 1.5 and section 1.6 (if applicable) of the Financing Plan.

(e) The Agency and Developer acknowledge that proceeds of Public Financings may be applied to the payment of a Payment Request only to the extent that the costs of the Acquisition Facility, Component, or Authorized Payment are Qualified.

(f) Payment Requests may be paid: (i) in any number of installments as Identified Funding Sources become available; and (ii) irrespective of the length of time of such deferral of payment.

6.2 Partial Payments; Vested Payment Requests. If Identified Funding Sources are not sufficient to pay the full amount of a Payment Request, then the Agency will pay the Payment Request to the extent of available Identified Funding Sources and notify Developer of the amount of the remaining portion. The right to the payment of the remaining portion of the Payment Request from the Identified Funding Sources will vest in the payee of such Payment Request (the “**Vested Payment Request**”). Promptly following the availability of Identified Funding Sources, the Agency will, from time to time and in as many installments as necessary, pay any Vested Payment Request. The Vested Payment Request will be paid from such Identified Funding Sources to the payee of such Vested Payment Request in the order in which the Payment Request is numbered, with a Payment Request of a lower number to be satisfied before the Payment Request of a higher number, subject to sections 1.5 and 1.6 of the Financing Plan, which will prevail over this Agreement in determining priorities for payments from Total Proceeds. Subject to sections 1.5 and 1.6 of the Financing Plan, outstanding and unpaid Vested Payment Requests will be paid from the Identified Funding Sources in their relative order of priority under this Section 6.2 before Identified Funding Sources may be used for any other purposes under this Agreement regardless of: (a) the identity of the owner of any property in the Project Site at the time of the payment of the Vested Payment Request; (b) whether the payee

under the Vested Payment Request is, at the time of payment, a Party or a party to the DDA; and (c) whether the DDA has been terminated or assigned to or assumed by another Person. This Section 6.2 will survive termination of this Agreement and the DDA.

6.3 Deposit of Payment Requests. Except for payments made to Third Parties at Developer's request, all payments made under any Payment Request or Vested Payment Request will be deposited into one or more Project Accounts specified by Developer.

6.4 Supplemental Obligation Financing and Alternative Financing. If a Supplemental Obligation Financing or an Alternative Financing is approved pursuant to the Financing Plan, then the Parties will work together in good faith if necessary to amend this Agreement to allow the proceeds of the Supplemental Obligation Financing or Alternative Financing to be used to acquire Acquisition Facilities and Components and to pay Actual Costs and Authorized Payments.

6.5 Miscellaneous.

(a) Communications requesting additional information about and notices of Approval or disapproval of a Supplement or a Payment Request or the insufficiency of Identified Funding Sources to pay an Approved or Deemed Approved Payment Request in full may be made in any written form for which receipt may be confirmed, including facsimile, electronic mail, and certified first class mail, return receipt requested. Such communications will be effective upon receipt, or, if delivered after 5 p.m. or on a weekend or holiday, the next business day.

(b) All proposed Supplements and Payment Requests submitted to the Agency must be sent by certified first class mail - return receipt requested, personal delivery, or receipted overnight delivery. Payment Requests must be clearly marked: "Payment Request No. _____; CP/HPS Phase 2; Attn: Executive Director (or Deputy Executive Director, Finance Administration)." Delivery of a Supplement or Payment Request to the Agency will be effective on the actual date of delivery, or, if delivered after 5 p.m. or on a weekend or holiday, the next business day. Copies of Payment Requests must be delivered in the same manner as the original.

(c) Except as provided in this Agreement, the Agency agrees that it will not withhold payment on any undisputed portion of a Payment Request, and that the Agency will be entitled to withhold payment only on a disputed portion of a Payment Request.

(d) In connection with processing any request under this Agreement (including Payment Requests and Supplements), the Agency and the Director of Public Works agree that any additional information request by the Agency or the Director of Public Works to Developer must be submitted as soon as practicable following the submission of the original materials, but in any event prior to applicable deadlines required by this Agreement. The Agency and the Director of Public Works will use their respective good faith efforts to make each additional information request comprehensive and thorough to minimize the number of requests delivered, and Developer will use its good faith efforts to provide a thorough, organized, and complete response to each request. Developer is authorized to communicate directly with the Agency, the Director of Public Works, and their designees, agents, and contractors to

facilitate any additional information request, to facilitate the prompt resolution of any technical issues, and to minimize the amount of time it takes to resolve outstanding issues.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Developer. Developer represents and warrants to and for the benefit of the Agency that:

(a) Developer is a limited partnership duly organized and validly existing under the laws of the State of Delaware, is in compliance with the laws of such state, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by Developer.

7.2 Representations and Warranties of the Agency. The Agency represents and warrants to and for the benefit of Developer that:

(a) The Agency is a duly formed redevelopment agency under the laws of the State of California, is in compliance with the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) The Agency has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Agency.

ARTICLE 8 MISCELLANEOUS

8.1 Limited Liability of the Agency and the City. Except as otherwise provided in the DDA, Developer agrees that any and all obligations of the Agency or the City arising out of or related to this Agreement are special and limited obligations of the Agency and the City, as applicable, and the Agency's and City's obligations to make any payments under this Agreement to implement the Financing Plan are restricted entirely to available Funding Sources as provided in the Financing Plan and from no other source. No member of the Board of Supervisors, the Agency Commission, or Agency or City staff member or employee will incur any liability under this Agreement to Developer in their individual capacities by reason of their actions under this Agreement or execution of this Agreement. It is understood and agreed that no commissioners, members, officers, or employees of the Agency or the City (or of either of its successors or assigns) will be personally liable to Developer, nor will any officers, directors, shareholders, agents, or employees of Developer (or of its successors or assigns) be personally liable to the Agency or the City in the event of any default or breach of this Agreement by the Agency or Developer or for any amount that may become due to Developer or the Agency or the

City, as the case may be, under this Agreement or for any obligations of the Parties under this Agreement.

8.2 Attorneys' Fees.

(a) Should any Party institute any action or proceeding in court or other dispute resolution mechanism permitted or required under this Agreement, the prevailing party shall be entitled to receive from the losing party the prevailing party's reasonable costs and expenses incurred including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as may be awarded to be reasonable attorneys' fees and costs for the services rendered the prevailing party in such action or proceeding. Attorneys' fees under this Section 8.2 shall include attorneys' fees on any appeal.

(b) For purposes of this Agreement, reasonable fees of a Party's in-house attorneys shall be no more than the average 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 such attorneys services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the applicable Party.

8.3 Notices. Except as provided in Sections 6.4(a) and (b), any notices to be provided under this Agreement must be delivered to the addresses and in the manner set forth in the DDA.

8.4 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Parties, as governed by the DDA. This Agreement may be assigned only in connection with an assignment of the DDA that is permitted in accordance with its terms.

8.5 Other Agreements. The obligations of Developer under this Agreement will be those of a Party and not as an owner of property in the Project Site. Nothing in this Agreement may be construed as affecting the Agency's or Developer's rights, or duties to perform their respective obligations under the DDA, the Interagency Cooperation Agreement and other Redevelopment Requirements, and any Applicable Regulation. If this Agreement creates ambiguity in relation to or conflicts with any provision of the Financing Plan, the Financing Plan will prevail.

8.6 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, will not constitute a waiver of such Party's right to later insist upon and demand strict compliance by the other Party with the terms of this Agreement. Deemed Approval of a Supplement or Payment Request will not constitute a waiver of the right of the Agency or the Director of Public Works, as applicable, to obtain information and documents that would have been required for a proposed Supplement or Payment Request to be complete.

8.7 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or will be construed to confer upon or to give to any person or entity other than the

Agency, the City, and Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions, or stipulations of this Agreement; and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the Agency or Developer will be for the sole and exclusive benefit of the Agency, the City, and Developer, subject to Section 8.4.

8.8 Amendment. This Agreement may be amended from time to time by the written agreement of the Agency and Developer, including a Supplement, executed by the Agency and Developer or otherwise Approved or Deemed Approved under Section 1.4. The Parties agree that changes to the forms of the Payment Requests as needed to reflect a Supplemental Obligation Financing, an Alternative Financing, or to make other adjustments to clarify and expedite the payment process under this Agreement are ministerial in nature and do not require an amendment to this Agreement.

8.9 Counterparts. This Agreement may be executed and delivered in any number of counterparts (including by fax, pdf, or other electronic means), each of which will be deemed an original, but all of which will constitute one and the same instrument.

8.10 Interpretation of Agreement. Unless otherwise specified, whenever in this Agreement reference is made to any capitalized Article, Section, Exhibit, Attachment, Supplement or any defined term, the reference will mean the Article, Section, Exhibit, Attachment, Supplement or defined term in this Agreement. Any reference to an Article or a Section includes all subsections, clauses, and subparagraphs of that Article or Section. The use in this Agreement of the words “including”, “such as”, or words of similar import when following any general term, statement or matter will not be construed to limit the statement, term or matter to the specific statements, terms or matters, whether or not language of non-limitation, such as “without limitation” or “but not limited to”, or words of similar import, is used. In the event of a conflict between the Recitals and the remaining provisions of this Agreement, the remaining provisions will prevail.

ARTICLE 9 DEFINITIONS

9.1 Definitions.

“**Acceptable Title**” means title to real property or interest in real property free and clear of all liens, taxes, assessments, leases, easements, and encumbrances, whether or not recorded, except for: (a) those determined not to interfere materially with the intended use of such real property; (b) those required to satisfy the terms of the DDA; and (c) if the lien is for any existing CFD, then the lien of the special taxes shall be a permitted exception to title so long as the real property, while owned by any Governmental Entity, is exempt from the special tax to be levied by the CFD.

“**Acceptance Date**” means the date that an action by the City or Other Public Agency, as applicable, to accept dedication of or transfer of title to an Acquisition Facility becomes final.

“Acquisition Facilities” means the Infrastructure and other Improvements shown in Exhibit A, as such exhibit may be amended or supplemented from time to time in accordance with the provisions of this Agreement.

“Actual Cost” means Qualified Project Costs of an Acquisition Facility or Component (which includes any applicable Developer Allocation or Agreed-Upon Allocation).

“Agency” is defined in the DDA.

“Agency Commission” is defined in the DDA.

“Agency Costs” is defined in the DDA

“Agency Director” is defined in the DDA.

“Agency Finance Deputy” means the Deputy Executive Director, Finance Administration of the Agency or any Person acting as such through a proper delegation of authority under Agency policy (or any successor officer designated by or under law).

“Agreed-Upon Allocation” is defined in Section 4.3(b).

“Agreement” is defined in the introductory paragraph.

“Alice Griffith DDA” is defined in the DDA.

“Alternative Financing” is defined in the Financing Plan.

“Applicable City Regulations” is defined in the DDA.

“Approve”, “Approval” and “Approved” are defined, and the standards of conduct governing any Approval are contained, in section 27.24 of the DDA, which section is hereby incorporated into this Agreement by this reference.

“Assignment and Assumption Agreement” is defined in the DDA.

“Authorization” is defined in the DDA.

“Authorized Payment Calculation” is defined in Section 5.1.

“Authorized Payments” means: (a) the Qualified Project Costs shown in Exhibit A that are not for Acquisition Facilities or Components constructed by Developer; and (b) other amounts for which Developer is entitled to receive payment or reimbursement under the Financing Plan, such as Pre-Agreement Costs and Community Benefits Costs.

“Board of Supervisors” is defined in the DDA.

“Candlestick Housing Increment” is defined in the Financing Plan.

“Candlestick Net Available Increment” is defined in the Financing Plan.

“**Candlestick Site**” is defined in the DDA.

“**CCRL**” is defined in the DDA.

“**CFD**” is defined in the Financing Plan.

“**CFD Act**” is defined in the Financing Plan.

“**CFD Bonds**” is defined in the Financing Plan.

“**CFD Conversion Date**” is defined in the Financing Plan.

“**City**” is defined in the DDA.

“**Community Benefits Costs**” is defined in the Financing Plan.

“**Complete**” is defined in the DDA.

“**Component**” means a component or phase of an Acquisition Facility shown in Exhibit B, as amended from time to time by an Approved or Deemed Approved Supplement.

“**Construction Documents**” has the meaning described in the DRDAP.

“**DDA**” means that certain Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes as of June 3, 2010, between the Agency and Developer, including all incorporated exhibits and as amended from time to time.

“**Deemed Approved**” or “**Deemed Approval**” means a Supplement or Payment Request that will be treated as Approved in the form submitted for all purposes under this Agreement due to the expiration of any applicable review and approval periods provided in this Agreement.

“**Developer**” means CP Development Co., LP, a Delaware limited liability partnership, and its successors and assigns permitted in accordance with the terms of the DDA.

“**Developer Allocation**” is defined in Section 4.1(d).

“**Director of Public Works**” means the Director of Public Works of the City (or any successor officer designated by or under law) or the Director’s authorized designee, acting in that capacity under this Agreement and the Interagency Cooperation Agreement.

“**DRDAP**” is defined in the DDA.

“**Effective Date**” is defined in Section 1.1.

“**Financing Plan**” is defined in the DDA.

“**Funding Goals**” is defined in the Financing Plan.

“**Funding Sources**” is defined in the Financing Plan, and is subject to the limitations on the use of those funds set forth in the Financing Plan.

“**Governing Acts**” means, as applicable, the CCRL, the CFD Act, or the laws governing the issuance of CFD Bonds, Tax Allocation Debt, Supplemental Obligation Financing, or Alternative Financing.

“**Governmental Entity**” is defined in the DDA.

“**Housing Increment**” means the Shipyard Housing Increment and the Candlestick Housing Increment.

“**Identified Funding Sources**” is defined in Section 4.1(a).

“**Improvements**” is defined in the DDA.

“**Indenture**” is defined in the Financing Plan.

“**Infrastructure**” is defined in the DDA.

“**Inspection Request**” is defined in Section 3.1(c).

“**Interagency Cooperation Agreement**” is defined in the DDA.

“**Major Phase**” is defined in the DDA.

“**Net Available Increment**” is defined in the Financing Plan.

“**Other Public Agency**” is defined in the Financing Plan.

“**Party**” or “**Parties**” means, individually or collectively as the context requires, Developer and the Agency.

“**Payment Request**” means a document to be used by Developer in requesting payment for: (a) the Actual Costs an Acquisition Facility or Component, substantially in the form of Exhibit C; or (b) an Authorized Payment to Developer, substantially in the form of Exhibit D.

“**Permit to Enter**” is defined in the DDA.

“**Person**” is defined in the DDA.

“**Plans**” means the applicable Construction Documents and Authorizations for the Acquisition Facilities or any Components as Approved under the DDA, Applicable City Regulations, or, if applicable, standards of the Other Public Agency.

“**Pre-Agreement Costs**” is defined in the Financing Plan.

“**Project**” is defined in the DDA.

“Project Accounts” is defined in the Financing Plan.

“Project Applications” is defined in the Interagency Cooperation Agreement.

“Project Costs” is defined in the Financing Plan.

“Project Site” is defined in the DDA.

“Proof of Payment” means a cancelled check, a wire confirmation demonstrating delivery of a direct transfer of funds, an executed and acknowledged unconditional lien release, or other evidence Approved by the Agency demonstrating payment of the applicable Actual Cost.

“Public Financing” is defined in the Financing Plan.

“Qualified” is defined in the Financing Plan.

“Redevelopment Requirements” is defined in the DDA.

“Remainder Taxes” is defined in the Financing Plan.

“Remainder Taxes Project Account” is defined in the Financing Plan.

“Reviewing Party” is defined in Section 1.4.

“Shipyard Housing Increment” is defined in the Financing Plan.

“Shipyard Net Available Increment” is defined in the Financing Plan.

“Shipyard Site” is defined in the DDA.

“Soft Costs” is defined in the Financing Plan.

“State Parks Agreement” is defined in the DDA.

“Sub-Phase” is defined in the DDA.

“Supplement” means a written amendment to Exhibit A or Exhibit B.

“Supplement Review Period” is defined in Section 1.4(a).

“Supplemental Obligation Financing” is defined in the Financing Plan.

“Tax Allocation Debt” is defined in the Financing Plan.

“Total Proceeds” is defined in the Financing Plan.

“Third Party” means a Person that is not a Party.

“Third Party Reimbursements” means payments, if any, from Third Parties that are received by Developer as a reimbursement of Qualified Project Costs incurred with respect to the Acquisition Facilities, such as utility or other reimbursements.

“Vested Payment Request” is defined in Section 6.2.

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IN WITNESS WHEREOF, the Agency and Developer have each caused this Agreement to be duly executed on its behalf as of the Effective Date.

AGENCY:

Authorized by Agency Resolution No. 69-2010
adopted June 3, 2010.

REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO,
a public body, corporate and politic

Approved as to Form:

By: _____
Name: James B. Morales
Title: Agency General Counsel

By: _____
Name: Fred Blackwell
Title: Executive Director

DEVELOPER:

CP DEVELOPMENT CO., LP,
a Delaware limited partnership

By: CP Development Co. GP, LLC,
a Delaware limited liability company,
its General Partner

By: _____
Name: Kofi Bonner
Its: Authorized Representative

EXHIBIT A

**Description of Acquisition Facilities
and Authorized Payments to be Financed for the Project**

[To be completed and attached before execution of Acquisition and Reimbursement Agreement]

EXHIBIT B

Description of Acquisition Facilities and Components, with Cost Estimates, and Authorized Payments and Components

[To be completed from time to time]

EXHIBIT C

Form of Payment Request – Acquisition Facilities and Components

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____ (“Developer”)
MAJOR PHASE: _____ SUB-PHASE: _____

The undersigned hereby requests payment in the total amount of \$_____ for the Acquisition Facilities or Components (as described in Exhibit B to that certain Acquisition and Reimbursement Agreement between the Redevelopment Agency of the City and County of San Francisco and CP Development Co., LP dated for reference purposes only as of June 3, 2010), all as more fully described in Exhibit C-1. In connection with this Payment Request, the undersigned hereby represents and warrants to the Director of Public Works and the Agency as follows:

1. He (she) is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer and is knowledgeable as to the matters set forth in this Payment Request.
2. The Acquisition Facilities or Components for which payment is requested were constructed in accordance with the DDA, and have been inspected and Approved for payment as indicated in the attached notice from the Director of Public Works.
3. All costs of the Acquisition Facilities or Components for which payment is requested hereby are Actual Costs, and have not been inflated in any respect, as indicated in the attached Proof of Payment. The items for which payment is requested have not been the subject of any prior payment request submitted to the Agency.
4. The costs for which payment is requested are not the subject of dispute with any contractor, subcontractor, materialman, or other Person who supplied goods or labor, as evidenced by the attached conditional or unconditional lien releases.
5. Developer is in compliance with the terms and provisions of the Acquisition and Reimbursement Agreement and no portion of the amount being requested to be paid was previously paid.
6. The Actual Cost of each Acquisition Facility or Component (a detailed calculation of which is shown in Exhibit C-2 for each such Acquisition Facility or Component), has been calculated in conformance with the terms of the Acquisition and Reimbursement Agreement.
7. To the knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special assessments levied on the regular County tax rolls against property owned by Developer in the Project Site.

8. The Payment Request must be paid solely from the following sources of Funding Sources:

Funding Sources from which Actual Costs may be Paid (check one or more boxes)	Identified Funding Sources
	CFD No. 1 Bonds
	Remainder Taxes for CFD No. 1
	CFD No. 2 Bonds
	Remainder Taxes for CFD No. 2
	Tax Allocation Debt for Candlestick Site
	Candlestick Net Available Increment
	Candlestick Housing Increment
	Tax Allocation Debt for Shipyard Site
	Shipyard Net Available Increment
	Shipyard Housing Increment*
	Other Source (specify):
Total Actual Cost	

*Available only in accordance with section 3.4(a)(ii) of the Financing Plan.

9. Payments under this Payment Request, when Approved or Deemed Approved, to be made as follows:

The amount of \$ _____ to the Project Account(s) held by Developer at the following financial institution(s) by wire, according to the following instructions:

The following amount(s) the following Third Party(ies) at the following address(es):

10. Other relevant information about Payment Request: _____

I hereby declare that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the best of my knowledge.

DEVELOPER:

[insert name of Developer]

By: _____
Authorized Representative
of Developer

Date: _____

Attachments:

- Notice of Approval following inspection by Director of Public Works
- Unconditional lien releases from the following: _____

Conditional lien releases from the following: _____

- _____
- For Completed Acquisition Facility:** Copy of recorded conveyance of land
 - For Completed Acquisition Facility:** Copy of determination of completeness
 - For Completed Acquisition Facility:** Original assignment of warranties and guaranties
 - For Completed Acquisition Facility:** Original assignment of Plans
 - For Completed Acquisition Facility:** Original assignment of reimbursements from Third Parties payable with respect to the Acquisition Agreement
 - For Completed Acquisition Facility:** As-built drawings of the Acquisition Facility
 - Exhibit C-1
 - Exhibit C-2

DEEMED APPROVAL NOTICE

Under Section 4.2(b) of the Acquisition and Reimbursement Agreement,

if you fail to notify Developer that

this Payment Request is Approved or disapproved

within thirty (30) days after your receipt of this Payment Request,

it will be Deemed Approved.

Payment Request Approved on _____.

By: _____
Director of Public Works

EXHIBIT C-1

Acquisition Facilities and Components to Which Payment Request Applies

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____

MAJOR PHASE: _____

SUB-PHASE: _____

1. The Acquisition Facilities and Components for which payment is requested under this Payment Request are: _____

2. Contract information for each contractor, subcontractor, materialman, and other contract for which payment is requested under this Payment Request is shown below.

Name	Amt. of Contract	Amt. Requested	Amt. Previously Pd.
Total			

Attachments:

Approved Supplement(s) *(include proof of delivery if Deemed Approved)*

Proof of Payment for each amount and included in the Actual Costs

EXHIBIT C-2

Calculation of Actual Cost

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____

MAJOR PHASE: _____
SUB-PHASE: _____

1. Description (by reference to Exhibit B to the Acquisition and Reimbursement Agreement) of the Acquisition Facility or Component _____
2. Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost, including any Developer Allocation): \$ _____
3. Subtractions:
 - A. Holdback for lien releases (see Section 4.4(c) of the Acquisition and Reimbursement Agreement): (\$ _____)
 - B. Retention (see Section 4.4(e) of the Acquisition and Reimbursement Agreement): (\$ _____)
 - C. Third Party Reimbursements: (\$ _____)
4. Total disbursement requested (Amount listed in 2, less amounts, if any, listed in 3) \$ _____

Attachments – Complete Acquisition Facilities Only:

[] Copies of Payment Requests for which release of retention is requested.

EXHIBIT D

Form of Payment Request – Authorized Payments

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____ (“Developer”)
MAJOR PHASE: _____ SUB-PHASE: _____

The undersigned hereby requests payment in the total amount of \$_____ for the reimbursement of Authorized Payments (as described in Exhibit B to that Acquisition and Reimbursement Agreement), to be paid solely from following Funding Sources:

Funding Sources from which Authorized Payments may be Paid (check one or more boxes)	Identified Funding Sources
	CFD No. 1 Bonds
	Remainder Taxes for CFD No. 1
	CFD No. 2 Bonds
	Remainder Taxes for CFD No. 2
	Tax Allocation Debt for Candlestick Site
	Candlestick Net Available Increment
	Candlestick Housing Increment
	Tax Allocation Debt for Shipyard Site
	Shipyard Net Available Increment
	Shipyard Housing Increment
Total Authorized Payment	

In connection with this Payment Request, the undersigned hereby represents and warrants to the Agency as follows:

1. He (she) is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer and is knowledgeable as to the matters set forth in this Payment Request.
2. The items for which payment is requested have not been the subject of any prior payment request submitted to the Agency.
3. Developer is in compliance with the terms and provisions of the Acquisition and Reimbursement Agreement and no portion of the amount being requested to be paid was previously paid.
4. To the knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special assessments levied on the regular County tax rolls against property owned by Developer in the Project Site.

I hereby declare that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the best of my knowledge.

DEVELOPER:

[insert name of Developer]

By: _____
Authorized Representative

Date: _____

Attachments:

- Proof of Payment
- Authorized Payment Calculation

DEEMED APPROVAL NOTICE

Under Section 5.2 of the Acquisition and Reimbursement Agreement,

if you fail to notify Developer that

this Payment Request is Approved or disapproved

within ten (10) days after your receipt of this Payment Request,

it will be Deemed Approved.

Payment Request Approved and counter-signed on _____:

By: _____
Executive Director
San Francisco Redevelopment Agency