OCII
office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

118-0432023-002

Agenda Item **No.8(a)**
Meeting of November 7, 2023

INFORMATIONAL MEMORANDUM

TO: Commission on Community Investment and Infrastructure

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Issuance of a Request for Qualifications to develop, own, and operate affordable housing mixed use projects on Mission Bay South Block 4 East; Mission Bay South Redevelopment Project Area

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The Office of Community Investment and Infrastructure ("OCII") is proposing, through a Request for Qualifications ("RFQ") process, to offer a parcel for affordable housing development in the Mission Bay South Redevelopment Project Area ("Project Area"). Mission Bay South Block 4 East ("Block 4E") is an approximately 45,655 square foot rectangular site bounded by Mission Rock Street to the north, 3rd Street to the east, China Basin Street to the south, and a residential development fronting 4th Street to the west on Block 4 West.

The proposed affordable rental housing will provide a mix of one-, two-, and three-bedroom units for families at a range of income levels. Approximately 20% of units will be set aside for households who have experienced homelessness. The project will also include ground floor community-serving commercial. Together, the housing and the commercial are the "Project".

The timely advancement of the Project will contribute toward:

- meeting OCII's obligations under the Redevelopment Plan for the Mission Bay South Redevelopment Project ("Redevelopment Plan") and Mission Bay South Owner Participation Agreement ("OPA");
- providing high quality housing opportunities for persons displaced by prior redevelopment action and their descendants ("Preference Holders"); and
- addressing the City's obligations under the 2023-2030 Regional Housing Needs Allocation as set forth in the Housing Element.

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A qualified applicant ("Applicant") will be a team comprised of only the following:

- A lead non-profit or for-profit developer that meets the definition of Qualified Housing Developer under the Mission Bay South Housing Program of the OPA ("Lead Developer");
- A non-profit co-developer (the "Co-Developer", the Lead Developer and Co-Developer together are the "Developers");
- A property manager;
- A supportive services provider; and
- A lead architect.

As required by the 1998 Mission Bay Affordable Housing Policy, adopted by the San Francisco Redevelopment Agency on September 17, 1998 (Resolution No. 194-98), preference will be given to non-profit housing development corporations headquartered in San Francisco. Developers consisting of a non-profit organization and a for-profit entity must establish that the activities and purpose of the partnership are primarily to construct and develop affordable housing units in furtherance of the non-profit organization's purposes and only incidentally to further the for-profit purposes of the for-profit entity. The selected Applicant will be required to select its other consultants and contractors in accordance with OCII's Small Business Enterprise ("SBE") Program.

If the Commission has no concerns or objections, staff will release the RFQ to the development community later this week and qualifications will be due in January 2024.

BACKGROUND

The Project Area was established in 1998 with San Francico Redevelopment Agency Commission and San Francisco Board of Supervisors approval of the Redevelopment Plan and OPA. Both the Redevelopment Plan and OPA have since been amended.

The Redevelopment Plan authorizes approximately 3,550 residential units to be constructed in the Project Area. Under the OPA, certain sites were pre-selected for the development of OCII-sponsored affordable housing ("Affordable Housing Parcels"). Affordable Housing Parcels comprise approximately 15 acres and are distributed throughout the Project Area. The OPA establishes that up to 1,218 units may be developed on these sites. To date, 905 units have been completed on Affordable Housing Parcels (including affordable units and manager's units), and another 148 are under construction (on Block 9a), for a total of 1,053 units.

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

DISCUSSION

OCII staff has prepared a draft RFQ for the development of Block 4 East, included as Attachment B to this memorandum. The RFQ provides background information on the site and the Project Area, detailed expectations regarding the program and population to be served, and an overview of design standards. In addition, the RFQ outlines the selection process, qualifications submittal requirements, and evaluation criteria.

Block 4E Development Program

The anticipated development program is summarized in the table below:

Block 4 E Development Program Summary	
Target population	• Preference Holders • Low-income families • Approximately 20% of units designated for households experiencing homelessness
Number and type of units	Up to 165* high quality units with a target mix of: • 25% one-bedroom • 50% two-bedroom • 25% three-bedroom
Area Median Income ("AMI") and rent restrictions	Tiered income levels targeted to meet the needs of preference populations, including Preference Holders, at up to 80% MOHCD AMI, provided that the average AMI for all affordable units is at or below 60% AMI in accordance with the Mission Bay Housing Policy
Commercial	Ground floor space for community or neighborhood serving commercial use
Parking	Vehicle: provide resident parking to the extent financially feasible Bicycle: Class I bicycle parking spaces at a target ratio of 1 space for every 2 units

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

Submittal Requirements and Evaluation

Applicants will be required to provide a qualifications submittal package that clearly articulates their vision for the Project, approach to key aspects of development, describes the roles and responsibilities of team members, and highlights the relevant experience and capacity of each Applicant team member. Evaluation criteria emphasizes OCII's expectations regarding diversity and racial equity in all aspects of the Project, engagement with Preference Holders throughout the Project's development with the goal of successfully housing as many Preference Holders as possible, a thoughtful approach to SBE participation, and the ability to secure financing to deliver the Project on an expedited development schedule.

Preference Holders

Persons displaced by prior redevelopment action and their descendants have the first priority for placement in OCII affordable housing projects. OCII requires that developers engage in a robust application of the priority for Preference Holders in all OCII-sponsored affordable housing units. Demonstrated understanding of the Preference program and/or experience successfully marketing to and housing Preference Holders and submission of a strategy for identifying Preference Holder needs and preferences to inform the development program will be part of the RFQ selection criteria.

CONTRACTING AND WORK FORCE HIRES

The selected Applicant(s) will be required to perform extensive good faith efforts to include SBEs in the performance of any agreement resulting from the RFQ and any subsequent agreements between a selected development team and its contractors or consultants as required by OCII's SBE Policy. The SBE Policy ensures equity in small business contracting with an objective of meeting an overall SBE participation goal of 50% established by the OCII Commission. The selected Applicant will also comply with OCII's Construction Workforce Requirements to ensure that all contractors/subcontractors demonstrate good faith efforts to meet OCII's workforce hiring goals of 50% for San Francisco residents.

In addition to these good faith efforts, the selected Applicant team will be expected to create a meaningful associate architect opportunity for a San Francisco-based SBE, even if the primary architect is an SBE. The selected general contractor will also be strongly encouraged to create a joint venture or similar partnership relationship with a San Francisco-based SBE contractor(s) looking to gain experience in that role.

As part of the qualifications submittal, Applicants will submit a Workforce and Contracting Action Plan ("WCAP") that addresses how the team will implement equal opportunity programs, which include the following policies and programs: SBE Policy, Nondiscrimination in Contracts and Benefits, Minimum Compensation Policy, Health Care Accountability Policy, and Prevailing Wage Policy. Applicants may elect to develop the WCAP with in-house staff or in partnership with an outside consultant.

COMMUNITY OUTREACH

Staff has informed the Mission Bay community of its intent to issue this RFQ through engagement with the Mission Bay Citizens Advisory Committee ("CAC"). The CAC has been provided with regular updates as well as a presentation outlining the RFQ in September 2023. In addition, staff discussed the RFQ at the September 2023 meeting of the Council of Community Housing Organizations, a nonprofit coalition of community-based housing developers.

The RFQ will be posted on the OCII website and notification of the RFQ will be provided directly to community groups, developers, architects, property management companies, supportive service providers, contractors, other community stakeholders through CAC and SBE lists, OCII and Mayor's Office of Housing and Community Development ("MOHCD") RFP/RFQ interest lists, Department of Homelessness and Supportive Housing's ("HSH") interest list, and newspaper advertising.

NEXT STEPS/SCHEDULE

Staff intends to release the RFQ on November 9, 2023 and responses will be due by January 19, 2024. Upon receipt of the Applicants' submittals, OCII staff will verify completeness and only complete responses will be evaluated. An evaluation panel consisting of OCII staff as well as representatives from MOHCD, HSH and the Mission Bay CAC will review the responses to determine the extent to which they demonstrate the qualifications as specified in the RFQ and interview Applicant teams. The Applicant recommended by the evaluation panel will be presented to the CAC and then to the Commission. Additionally, staff anticipates seeking to enter into an exclusive negotiations agreement and a loan agreement for predevelopment funding in May 2024.

(Originated by Kim Obstfeld, Senior Development Specialist)

DocuSigned by:
Thor Kaslofsky
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Thor Kaslofsky
Executive Director

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

Attachment A: Mission Bay Map

Exhibit B

Housing Development

Request for Qualifications

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

Mission Bay South Block 4 East

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

Block 8711, Lot 029

Mission Bay South Redevelopment Project Area

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

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

Contact: Kim Obstfeld
Email: kimberly.obstfeld@sfgov.org

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SECTION I. SUMMARY

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

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

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

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

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

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

Block 4E Program Summary	
Target population	Preference Holders, especially those displaced by SFRA, low-income families, with approximately 20% of units designated for households experiencing homelessness
Number of units	Up to 165*
Unit types	Family units with a target mix of: • 25% one-bedroom • 50% two-bedrooms • 25% three-bedrooms
Area median income (AMI) and rent restrictions	Tiered income levels targeted to meet the needs of Preference Holders, at up to 80% MOHCD AMI, provided that the average AMI of all affordable units is at or below 60% AMI in accordance with the Mission Bay Housing Policy further described in Section II.A.3.

Commercial	Ground floor space for community or neighborhood serving commercial use(s)
Parking	• Vehicle: provide resident parking to the extent financially feasible • Bicycle: Class I bicycle parking spaces at a target ratio of 1 space for every 2 units

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

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

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

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

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

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

The Executive Director is not required to recommend the Applicant receiving the panel's highest ranking or evaluation and may make a recommendation to the Commission based on other factors, including, but not limited to, the fulfillment of OCII policy and the Applicant's history of uncured defaults, if any, related to prior OCII, SFRA, or MOHCD agreements. For example, OCII may, in its sole discretion, disqualify any Developers and/or Architect or other personnel if they have failed to comply with any OCII, SFRA, or MOHCD agreement or if they are not in good standing with OCII/MOHCD in relation to the current OCII/MOHCD marketing standards applicable to existing projects. The OCII Commission has the sole discretion, at a public hearing, to make the final selection.

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

A. Important Dates and Submission Process[1]

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

B. Pre-Submission Meeting

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

C. Questions and Requests for Additional Information

Please submit all questions and information requests to the attention of the contact person listed on the cover page of this RFQ. All questions and requests for additional information regarding this RFQ must be received **in writing** by OCII (via messenger, mail, or e-mail) – *on or before* – the time and date as shown above, in Section I.A. Questions received after the deadline may not be answered. All responses and additional information will be

[1] All dates and times subject to change.

distributed via e-mail to all registered parties. OCII reserves the right, in its sole discretion, to determine the timing and content of the response, if any, to all questions and requests for additional information.

D. RFQ Registration

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

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

E. Qualifications Submission Time and Date

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

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

Via OneDrive link provided to registered Applicants

SECTION II. BACKGROUND

A. Project Area Overview

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

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

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

1. Affordable Housing Development

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

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

Project Area Affordable Housing Parcels Completed or in Development

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

1 *Project under construction.*

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

2. Preference Holder Program

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

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

3. OCII Funding Authority

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

4. Mission Bay Affordable Housing Policy

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

Developers. The type of housing to be built on each OCII site is generally determined as part of the City's Consolidated Plan. The Housing Policy establishes that rental projects on the Affordable Housing Parcels have a 75-year initial term of affordability and average rents consistent with current City and OCII policies, no greater than 30% of 60% of the AMI adjusted for household size and a utility allowance.

5. Development Controls

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

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

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

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

6. Neighborhood and Transit Amenities

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

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

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

7. Citizens Advisory Committee

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

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

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

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

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

B. The Site & Transfer of Ownership

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

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

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

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

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

C. Soil Conditions

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

1. <u>Soil Contaminants</u>

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

2. Risk Management Plan

A Risk Management Plan ("RMP") has been approved for the Project Area that summarizes the types of contaminants present and the measures that must be taken. Current and future owners, occupants, and property managers must comply with these measures. A copy of this report can be found on OCII's Mission Bay website at http://sfocii.org/mission-bay.

3. Cleanup Roles and Responsibilities

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

4. Limitations to Incremental Costs: No Underground Parking

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

D. Schedule Considerations

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

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

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

SECTION III. DEVELOPMENT PROGRAM

A. Housing Development Concept

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

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

Program Element	OCII Requirements
Units	A maximum number of high-quality units with a target unit mix of: • 25% 1 bedroom/1 bathroom: minimum of 500 net square feet

	• 50% 2 bedroom/1 or 1.5 bathroom: minimum of 850 net square feet • 25% 3 bedrooms/1.5 or 2 bathrooms: minimum of 1,100 net square feet
Commercial space(s)	Community-serving and/or public benefit commercial space(s) totaling approximately 1,200 to 3,000 square feet, may be provided in a single space or two spaces. Target uses may include: • Arts and culture: facility providing accessible arts opportunity through cultural arts and programs, or facility to promote the production of arts and arts programs • Social welfare: facility that provides employment and workforce development services, services with seniors and/or adults with disabilities, and youth or family services • Health: public health clinic or community health organizations • Youth programs and services: education, tutoring support, enrichment, and related programming
Interior services and management spaces	• Desk staff at main residential entrance (24-hour desk coverage) • Dedicated private offices for property management and support services staff with adequate room for storage of client records and seating for one-on-one sessions • Storage space for supplies, replacement furnishings, and program materials
Community spaces/ amenities	• At least one common area/community room with adjacent or incorporated kitchen • Varied spaces that allow for both active programming and passive use • Include spaces tailored to meet the needs at various life stages. Such space may include: remote work rooms, homework rooms, children's play rooms, teen spaces, lounges, and fitness rooms.
Open space	• Ground floor or podium level open space courtyard, at the center of the block, generally aligned with the central courtyard of the adjacent building at Block 4 West • Upper floor terraces as needed to meet open space requirements.

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

B. Target Populations

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

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

Low-Income Families

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

Formerly Homeless Households

Applicants should assume that a minimum of 20% of units will serve households who have experienced homelessness. The number/percentage of units is subject to change at the discretion of OCII and HSH. In addition, the specific household type is to be determined. Household types may include some combination of adults, older adults, families with and without minor children, transitional aged youth ("TAY"), or others as deemed appropriate and necessary by HSH in the implementation of HSH's 2023-2028 Strategic Plan. These units are essential in addressing the City's homelessness crisis. The need for permanent supportive housing units is further addressed the City's 2022 Housing Element of the General Plan and MOHCD's 2020-2024 Consolidated Plan.

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

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

C. Occupancy Preferences, Resident Selection & Marketing

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

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

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

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

Advertising and Marketing

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

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

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

D. Affordability Restrictions and Financing

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

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

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

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

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

- **Rents.** OCII will require that AMI levels are tiered to accommodate households at a wide range of income levels, offering a portion of units affordable to households at and below 50% of AMI, and to maximize leasing to Preference Holders. OCII agreements will require that rents be set at an amount that is affordable to households earning up to 80% of AMI as published annually by MOHCD, with an average rent/AMI at or below 60% (pursuant to CTCAC income averaging regulations and MOHCD Underwriting Guidelines). AMI tiering is subject to review and approval by OCII and must consider marketability.

- **LOSP.** The selected Applicant should assume that units set aside for households experiencing homelessness will receive LOSP funding through 15-year contracts with MOHCD. Note, however, that the selected Applicant may be required to apply for subsidies through the Continuum of Care or other available sources to support these units.

- **Supportive Services funding.** The selected Applicant will be expected to prepare plans and budgets for supportive services for tenants who have experienced homelessness. The plans and budgets will be subject to review and approval by HSH. While supportive services funding may be available from HSH, the selected Applicant will be expected to explore other funding sources and to leverage any local funding provided to secure outside sources. Funding for resident services for low-income tenants is expected to be funded through the operating budget, subject to the Underwriting Guidelines.

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

E. Resident Services

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

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

1. Minimum Requirements:

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

2. Supportive Services

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

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

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

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

F. Property Management

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

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

G. Land Use Restrictions

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

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

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

H. Design & Construction

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

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

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

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

Design Element	Development Standards
Height*	• Base height: maximum 65’ • Mid-rise height: maximum 90’ • Tower height: maximum 160’
Bulk*	Applicable only to any building portion above 90’: • Plan diagonal: maximum 190’ • Plan length: maximum 160’ • Floor plate: maximum 17,000 sf
Lot Coverage	100% lot coverage to a maximum height of 40’. For building portions above 40’, a maximum of 75% lot coverage is allowed.
Street Wall	Regulations include corner treatments and projections (refer to Section III Design Standards in the Design for Development)
Setback	• 3rd Street: a 5’ setback from the property line to the building face is required. • Side: no setback is required from the shared property line between the two parcels. Assume standard fire separation requirements. • Mission Rock/China Basin Streets: no setback is required. Recess garage entries a minimum of 2’ from primary building façade.
Ground Floor	• Locate active uses (residential lobbies, commercial, community spaces, etc.) along street frontages on as much of the façade as possible. • Ground floor residential units are optional and if provided must be elevated to account for sea level rise considerations (see Section III.H.4 below) and include pedestrian street-level access.
Open Space*	• Minimum 70 sf per residential unit • May be satisfied through any combination of a courtyard (ground or podium level), rooftop decks or gardens, solariums, or other landscaped areas. • Minimum horizontal dimension for any private open space is 6’
Vehicular and Bicycle Parking	• Vehicular parking should be provided to the maximum extent feasible, with an approximate target ratio of 0.25 space per unit for residents. • Consider a minimum bike ratio of 0.50 space per unit, provided in secured Class 1 facility.
Loading, Vehicular Access, and Refuse	• No loading facilities are required for residential development below 100,000 square feet; one space is required between 100,001 and 200,000 square feet; two spaces between 200,001 and 500,000 square feet. • Consider siting loading space(s) on Mission Rock Street and/or China Basin Street. • Vehicular access should be provided on Mission Rock Street and/or China Basin Street (assume no curb cuts along 3rd Street) • Designated area in the building or garage to accommodate separation of refuse and to meet Recology’s pick-up requirements (consider access from Mission Rock or China Basin Streets)

Code Compliance and Green Building	• Compliance with San Francisco Building Code and Administrative Bulletin AB-093 • Compliance with San Francisco Planning Department Standards for Bird-Safe Buildings adopted July 14, 2011 http://default.sfplanning.org/publications_reports/bird_safe_bldgs/Standards%20for%20Bird%20Safe%20Buildings%20-%2011-30-11.pdf • LEED "Gold" rating or Green Point Rating of 125 or higher
Building Orientation	• Screen parking and utility areas along street frontages with ground floor uses and/or architectural elements. • Lobby shall be visually appealing in a pedestrian scale and character, with an architecture distinct from the rest of the building facade.

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

2. Green Design Guidelines

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

3. Sea Level Rise/Flood Considerations

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

4. Priority Permit Processing

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

I. Equal Opportunity Programs

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

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

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

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

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

SBE Associate Architects

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

General Contractor Joint Venture

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

J. Community Outreach

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

SECTION IV. SELECTION PROCESS & CRITERIA

A. Selection Process

1. Qualifications submittals will be accepted only until the dates and times shown in Section I.A and E.

2. Submittals will be electronic, uploaded to OneDrive pursuant to instructions emailed to registered Applicants. No submissions received by mail, facsimile, or electronic mail will be considered. The Applicant is solely responsible for ensuring that all information requested in Section V Submission Requirements is submitted.

3. OCII staff will contact references.

4. Applicants who have provided qualifications submittals that meet the requirements of this RFQ will be interviewed. Interviews are expected to be held on the date(s) shown in Section I.A, however, these dates

are subject to change. Applicants should advise OCII staff of availability on these days. Interviews may be held at OCII (located at One South Van Ness Avenue in San Francisco on the Fifth Floor) or online via video call.

5. Further information or written material regarding qualifications may be requested prior to or following interviews.

6. OCII staff will make a recommendation to the OCII Commission based on the input of the Evaluation Panel review of the submittals, interviews, and reference checks.

7. The OCII Commission will approve selection of the successful Applicant.

B. Selection Criteria

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

Maximum Points	Criteria
30	**Development Vision**
10	Development approach: • Program concept; • Financing strategy with a focus on feasibility within the development schedule; • Strategy for addressing diversity, equity, and inclusion in all aspects of the Project, including the team composition, and approach to meeting or exceeding OCII SBE goals; • Strategy for identifying Preference Holder needs and preferences to inform the development program; • Community outreach and engagement; • Cost containment strategy; and • Determining and meeting a compressed development schedule.
5	Design approach: • Vision for relationship between the buildings and the relationship of Project to the surrounding environment; • Inspirational images and guiding concepts; • Strategy for studying conceptual designs, collaborating with OCII, and expeditiously recommending a massing concept; and • Strategy for delivering high quality housing within a constrained budget.
5	Property management approach: • Address considerations and strategies for managing and maintaining larger-scale residential properties; • Strategy for working collaboratively with supportive services to maintain resident housing stability; and • Staffing the Project.
5	Supportive services approach: • Strategy for working collaboratively with property management to address resident needs and issues; • Approach to providing culturally competent services appropriate to the tenant population; • Staffing the Project.
5	Marketing approach:

	• Strategy for successfully housing Preference Holders; • Preference outreach approach for advertising and leasing, including any innovative or creative approaches for Preference engagement and lease-up; • Overall marketing strategy and approach; and • Staffing for implementing early outreach and marketing plans and lease-ups.
70	**Team Experience and Capacity**
10	Applicant team composition and structure: • Team composition is aligned with diversity, inclusion, and equity strategy described in the development vision; • Roles and responsibilities are clear, aligned with the development vision, and well considered to expedite development while ensuring meaningful participation that builds upon the strengths of various team members; and • Submittal includes MOUs or similar agreements between the Lead Developer and each Co-Developer
10	Lead Developer: • Experience developing and marketing affordable housing comparable to the housing described in this RFQ and in accordance with current OCII/MOCHD standards; • Participation in innovative projects addressing affordable housing challenges; • Expertise in best practices regarding community development; • Deep knowledge of local, regional, and/or national models for community engagement; • Experience with OCII/MOHCD marketing policies and participating in lotteries through MOHCD's DAHLIA system; • Demonstrated understanding of the Preference program and or experience successfully marketing to and housing Preference Holders; • Expertise in government assisted affordable housing programs and financing sources; • Collaborating effectively with a co-developer; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Track record of delivering comparable projects on schedule and on budget; • Providing meaningful project opportunities/scopes to mentor and build capacity for co-developers and other contractors, especially disadvantaged firms; • Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.
10	Co-Developer: • Experience developing and marketing affordable housing comparable to the housing proposed in this RFQ and in accordance with current OCII/MOCHD standards; • Demonstrated understanding of the Preference program experience marketing to and housing Preference Holders; • Demonstrated track record in performing the roles and responsibilities to be undertaken pursuant to the MOU; and • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.
10	Architect:

	• Experience delivering comparable affordable housing on schedule and on budget; • Demonstrated experience partnering with a SBE associate architect, in an approach that provides a meaningful growth opportunity and an efficient division of responsibilities; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Staffing plan is appropriate to advance the Projects in accordance with the schedule.
10	EOP/WCAP: • Demonstrated commitment to prioritizing SBE participation in project development and construction, and creating meaningful SBE growth opportunities; • WCAP Lead and other staff responsible for leading EOP compliance are clearly identified; • Responsible staff demonstrate an understanding of economic opportunity programs, including a commitment to diversity in contracting, and capacity to lead compliance efforts; and • WCAP is detailed and clear (provides a strategy, not just a statement of commitment).
10	Services Provider: • Track record of providing culturally competent supportive services; • Demonstrated success in helping residents achieve housing stability; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Capacity of the provider and demonstrated ability to fill open positions are in a timely manner with qualified staff; and • Demonstrated experience providing, or bringing in, clinical support for the staff and tenants.
10	Property Manager: • Experience and successful track record of managing affordable housing buildings serving a comparable resident population and of a comparable scale in a culturally competent manner; • Skilled in maintaining high facility standards, long-term asset stewardship, and high resident satisfaction; • Experience effectively coordinating with on-site services providers; • Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs; • Capacity of the project management entity, including capacity to manage ground floor community space, and demonstrated ability to fill open positions in a timely manner with qualified staff; and • Demonstrated success in marketing and leasing retail spaces to community-serving local businesses.
100	**Maximum Total Points**

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

SECTION V. SUBMISSION REQUIREMENTS

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

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

A. Development Vision

Provide the following documents:

1. **<u>Project Description (Narrative)</u>:** Submit a narrative of no more than six (6) pages describing the Applicants' vision for the Project. The narrative should address:

   a. Development approach:
      - Vision for the program of the Project, including residential and commercial uses, and amenities;
      - Strategy for financing the Project, including a discussion of likely capital and operating subsidy sources and why such sources may be a good fit for the Project as well as any innovative or unique financing strategies that may be viable and appropriate;
      - Strategy for addressing and ensuring diversity, equity, and inclusion in all aspects of the Project including community engagement, predevelopment, construction, and operations;
      - Meeting or exceeding OCII SBE goals;
      - Engagement with the CAC and outreach to the broader community at various stages of development;
      - Anticipated schedule overview and the schedule relationship between the two buildings, and methods the Applicant may employ to ensure that the Projects progress in accordance with the schedule.

   b. Design approach:
      - Strategy for determining a massing concepts for the Site;
      - Coordination within Applicant team members and collaboration with OCII;
      - Consideration of how the building might relate to neighboring buildings with regard to scale, form, and open space, and how design concepts will be refined to meet target resident population and operational needs;
      - Select relevant inspirational images that convey a concept that may influence the design concept for the Site;
      - Strategy for meeting an expedited design and development schedule;
      - Cost containment strategies and approach to delivering high quality buildings with constrained resources.

   c. Property management approach:
      - Considerations and strategies for managing larger-scale residential projects, including long-term facility preservation;
      - Strategy for working collaboratively with supportive services to maintain resident satisfaction and housing stability; and
      - Anticipated staffing.

   d. Supportive services approach:
      - Strategy for working collaboratively with property management to address resident needs and issues; and
      - Providing culturally competent services appropriate to the tenant population; and
      - Anticipated staffing.

2. **Marketing Approach (Narrative):** Submit a narrative of no more than two (2) pages describing the approach to marketing and lease-up, with a particular emphasis on strategies to maximize Preference Holder placement:

- Strategy for engaging Preference Holders and successfully housing a maximum number of Preference Holders at the Project;
- Strategy for identifying Preference Holder needs and preferences and incorporating these into the building program and design, to the extent feasible. The strategy may include review of available Preference Holder household data, Preference Holder engagement in design charrettes, interviews with Preference Holder-serving organizations, and other methods;
- Innovative and effective best practices for reaching diverse community groups;
- Marketing and lease-up strategy; and
- Staffing for implementing early outreach and marketing plans, and managing the lease-up.

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

B. Applicant Description

1. **Applicant Structure and Approach (Narrative):** Provide a narrative of no more than two (2) pages that describes how the team will work together during predevelopment, construction, and in the ownership and operation of all aspects of the completed project. The narrative should:

   a. Clearly articulate key Developer and Co-Developer roles and responsibilities.
   b. Identify the party or parties responsible for leading EOP compliance.
   c. Identify the party or parties responsible for resident services and supportive services.
   d. Identify the party or parties responsible for property management.
   e. Identify the party or parties responsible for early outreach, marketing, and lease-up.

2. **Memorandums of Understanding (“MOUs”):** Attach MOUs between the Developer and the Co-Developer.

3. **Applicant Description Form (Attachment 1):** Complete the Applicant Description Form to establish compliance with definition of “Qualified Housing Developer” under Section 1.32 of the Mission Bay South Housing Program (Attachment C to the OPA).

4. **Résumés:** Submit résumés for all persons identified on the Applicant Description Form.

5. **Organizational Documents:** Submit a current copy of the following documents for the Developer/Co-Developer**:**

   a. *Certificate of good standing from California Secretary of State*. (Please note that the Certificate must bear the official State of California seal and that web screen prints from the Secretary of State of California website are not acceptable).
   b. *Certification of 501(c)(3) status from the Internal Revenue Service* (if applicable, for any non-profit corporations).
   c. *Certification of 501(c)(3) status from the California Franchise Tax Board* (if applicable, for any non-profit corporations).
   d. *The latest two (2) years of either*:
      i. signed federal income tax returns (including schedules or attachments, if any); or
      ii. audited financial statements (with management letters, if any).

C. Developer and Co-Developer Experience & Capacity

1. **Developer and Co-Developer Experience (Narrative):** Submit a narrative of no more than two (2) pages describing the relevant experience of the Developer and Co-Developer. The narrative should address:

a. Experience developing complex affordable housing projects on in-fill sites, and track record in delivering projects on schedule and within budget. As applicable, highlight experience in innovative projects addressing affordable housing challenges.

b. Experience effectively partnering with other developers and ways in which the experience of the Developer and Co-Developer is complementary and why it is relevant in preparing the team to successfully complete the Project.

c. Expertise in affordable housing finance and experience securing capital and operating sources anticipated for these Projects. As applicable, highlight any experience in successfully utilizing unique or innovative financing strategies.

d. Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.

e. Understanding of the Preference Holder program and relationships with organizations serving Preference Holders.

f. Relevant marketing experience, including Developer's experience, if any, with successful targeted outreach to Preference Holders and with MOHCD's electronic marketing and housing portal, DAHLIA.

g. Staffing plan and strategy for consistently staffing the Project in the event of staff turnover or absences.

2. **Developer and Co-Developer Experience in Comparable Projects (Attachment 3):** Complete the Comparable Projects Experience Form for the Developer and Co-Developer. Developer and Co-Developer should use this chart to convey their experience in at least one (1) up to a maximum of two (2) projects completed within the past ten (10) years by the Developer and Co-Developer, that are *comparable* to the proposed Projects. For purposes of this RFQ, a comparable project would be an affordable family rental housing project of 100 units or more. Photos of projects may be included, but are not required.

3. **Developer and Co-Developer Workload Capacity (Attachment 2):** Complete a Staffing Workload Form for the Developer and the Co-Developer. The forms must identify all staff members for each of the developer entities who will have a project management role.

4. **Developer and Co-Developer Experience in Other San Francisco Projects (Attachment 4):** Complete the San Francisco Projects Experience Form. Developer and Co-Developer should use this chart to describe their experience in any other projects developed *within San Francisco only*. Photos of projects may be included, but are not required.

5. **WCAP (Narrative):** Submit a WCAP of no more than three (3) pages describing the specific steps that the development team will take to meet or exceed the contracting and workforce obligations in **Attachments 11 through 17** of this RFQ and includes information regarding the following:

- Demonstration of the Applicant's knowledge and familiarity with OCII/City workforce and contracting policies and programs.
- Clear identification of the WCAP Lead responsible for leading EOP compliance (this person(s) will be responsible for regular coordination with OCII on program implementation). This may be a staff member(s) at one or more of the Developers or an outside contractor. Describe the experience of the responsible party in this work and describe their preparation for undertaking this role, understanding of the program, capacity, and relevant experience.
- Demonstration of the Developer and Co-Developer's track record of prioritizing SBE participation in project development and construction. Highlight ways in which the Developer or Co-Developer will collaborate with partners to create meaningful SBE growth opportunities.
- Identify specific implementation actions that the Applicant proposes to achieve the best results for meeting or exceeding the goals.

D. Architect’s Experience & Capacity

1. Architect’s Experience (Narrative): Submit a narrative of no more than two (2) pages describing:

a. *Relevant Experience*: Describe the Architect’s experience on affordable housing projects of a similar scale in San Francisco and/or in other urban settings. Explain how this experience has prepared the Architect for this opportunity. Include descriptions of the specific experience of staff members who will be assigned to the Project. Provide examples of the Architect preparing design submittals on an accelerated timeline and within constrained budgets.

b. *“Green” Experience*: Describe green building design experience and evidence of current Green Point Rated professionals, if any.

c. *Local Regulatory Experience*: Describe experience working with the San Francisco Department of Building Inspection and other permitting agencies, if any. Highlight any experience on projects that required re-zoning and CEQA analysis.

d. *Staffing Capacity:* Describe how the staffing capacity reflected in Attachment 2 is appropriate for this Project and is sufficient to meet the anticipated schedule.

e. *Racial Equity:* Describe the Architect’s efforts to improve diversity, equity and inclusion. This may include training programs, recruiting and hiring practices, staff training, and collaborations.

f. *Management of an Associate Architect*: Describe experience working with an associate architect(s) and how associate architects could be utilized on this Project.

2. Architect’s Experience in Comparable Projects:

a. *Project Descriptions*: On no more than one page for each project (including the photos described below), provide a description of at least one, but no more than three (3), completed comparable developments (preferably projects located in San Francisco). For all projects, include the design and development timelines, dates completed, and client contact information. Note any budget or financing constraints. If the Architect was not the sole architect, please describe the Architect’s role in the project.

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

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

E. Services Provider Experience and Capacity

1. Service Provider’s Experience (Narrative): Provide a written narrative of no more than one (1) page describing the Services Provider’s approach to providing services to residents of affordable housing.

- Experience in providing culturally competent supportive services and collaborating with parties from different disciplines (e.g. developers, property management agencies, government, outside service providers, etc.).
- Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.
- Services Provider’s understanding of the challenges facing clients transitioning from homelessness to housing. Describe the provider’s approach to addressing such challenges as they arise, including achievement and maintenance of housing stability, eviction prevention, and crisis intervention, prevention, and diversion.
- Experience in/approach to serving clients with severe and persistent mental illness and those with substance use issues, as well as approach to providing harm reduction services in a housing setting.

- Describe the organization's capacity provide services at new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff.
- Confirm the Services Provider's conformance to the minimum qualifications listed in Section IV.F. Include at least two (2) letters of reference or the names, organizations, and contact numbers of two persons willing to act as a reference on your behalf. NOTE: References cannot be solicited from current clients. Please include a list of all programs you operate currently and the sites at which those programs operate. (This list may be included as an appendix.)

2. **Services Provider's Experience in Comparable Projects (Attachment 6):** Complete the Supportive Services Provider's Experience Form.

F. Property Manager Experience and Capacity

1. **Property Manager's Experience (Narrative):** Provide a written narrative of no more than one (1) page describing the Property Manager's relevant experience and approach to serving residents in affordable housing communities:

- Experience managing an affordable rental housing community serving a comparable tenant population, including buildings in which a portion of units are occupied by households who have experienced homelessness, and of a comparable scale.
- Experience effectively collaborating with on-site and community supportive service providers. Provide examples of positive working relationships.
- Policies and practices to ensure resident safety and stability.
- Demonstrated commitment to racial equity and effective implementation of organizational diversity, equity, and inclusion plans and programs.
- Anticipated project management staffing, organizational capacity to take on new projects, and demonstrated ability to fill open positions in a timely manner with qualified staff.

2. **Property Manager's Experience in Comparable Projects (Attachment 5):** Complete the Property Management Experience Form.

G. Other Required Information

1. **Disclosure Questions (Attachment 7):** Each Developer Entity, as defined in Section A of **Attachment 1,** Applicant Description Form, must complete and submit the Disclosure Questions. These questions are designed to identify any potential conflicts of interest and/or liability issues. A summary of Government Code Section 87103 containing the relevant portion of the Fair Political Practices Act is included as a footnote on the Disclosure Form for reference. ***Failure to include a complete, signed certification will disqualify the submittal.**

2. **Statement of Compliance with OCII Policies (Attachment 8):** The Developer must agree to comply with all of OCII's policies, including but not limited to, SBE Policy, Construction Workforce requirements, and insurance and indemnification requirements found in this RFQ and shall execute the statement of compliance certifying the same. ***Failure to include a complete, signed certification will disqualify the submittal.**

3. **Offer to Negotiate Exclusively**

   a. *Form (**Attachment 9**)*: The Applicant shall complete and submit the Offer to Negotiate Exclusively. The person signing this form must have the authority to bind the entire Applicant team. ***Failure to include a complete, signed Offer to Negotiate will disqualify the submittal.**

   b. *Deposit:* The Applicant shall submit an "Offer to Negotiate Exclusively Deposit" in the amount of **One Thousand Dollars ($1,000)** made payable by check to OCII as part of the qualifications submittal. This payment shall be refunded to all Applicants not selected by the OCII Commission. (It shall also be refunded in the event an Applicant selected by the OCII Commission does not obtain OCII Commission approval for development of the project.) **✳Failure to include a valid "Offer to Negotiate Exclusively Deposit" will disqualify the proposal.**

4. **Submission Checklist (Attachment 10)**: Complete and submit the Submission Checklist, certifying that all required items are contained in the qualifications submittal.

THIS IS THE END OF THE SUBMISSION REQUIREMENTS SECTION.

ALL INFORMATION REQUESTED ABOVE IN SECTION V MUST BE SUBMITTED IN ORDER FOR A PROPOSAL TO BE DEEMED COMPLETE.

APPLICANTS SCORES MAY BE NEGATIVELY IMPACTED BY ANY INCOMPLETE INFORMATION.

SECTION VI. ADDITIONAL REQUIREMENTS

(for recommended Applicant only)

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

DO NOT SUBMIT THESE FORMS WITH THE INITIAL PROPOSAL.

A. Nondiscrimination in Contracts & Benefits

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

B. Small Business Enterprise Program

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

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

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

C. Construction Workforce Requirements

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

D. Minimum Compensation Policy

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

E. Health Care Accountability Policy

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

F. Prevailing Wages

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

G. Insurance & Indemnification

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

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

SECTION VII. OCII DEPOSITS

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

A. Offer Deposit

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

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

B. Performance Deposit (Selected Applicant Only)

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

SECTION VIII. ADDITIONAL TERMS & CONDITIONS

A. Selected Applicant's Responsibility

The selected Applicant will be solely responsible for construction of all improvements according to OCII-approved construction documents, and in accordance with applicable City building codes. This includes, but is not limited to, all on-site improvements and any changes from existing conditions, including underground utilities, street lighting, curbs, gutters, street trees and sidewalks. The selected Applicant will be responsible for all transactional costs and closing requirements, including, but not limited to, title insurance, escrow fees, parcel maps, etc. In addition, the selected Applicant will be responsible for payment of all applicable City fees and relevant transactional costs, including but not limited to: building permit fees, utility relocation and connection fees, subdivision fees, transfer taxes, and transit fees.

B. Applicant's Duty of Loyalty

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

C. OCII Non-Responsibility

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

D. Geotechnical Investigations

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

E. Environmental Review Approvals

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

F. Accessibility Requirements

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

G. Applicant Expenses

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

H. OCII Right to Modify or Suspend RFQ

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

I. Claims Against OCII

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

List of Attachments

To be included in Submission Package:

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

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

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

For information purposes only:

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

Attachment 1: Applicant Description

A. Lead Developer Entity Information

Name of Developer	
Type of Organization (*i.e.* 501(c)(3), corporation, LLC, etc.)	
Percentage Ownership of Proposed Project	

B. Co-Developer Entity Information

Name of Co-Developer	
Type of Organization (*i.e.* 501(c)(3), corporation, LLC, etc.)	
Percentage Ownership of Proposed Project	

C. Key Personnel of Developer and Co-Developer *(repeat this section as necessary for all Key Personnel of Developer and Co-Developer; indicate which Developer each person is employed by);* ***please place a * next to the name of the Lead Contact Person for the Developer****)*

Name	
Title and Developer entity name	
Role on Proposed Project	
Address	
Phone	
Fax	
Email	

D. Architect Information

Name of Architect Firm	
Name of Contact Person	
Address	
Phone	
Fax	
Email	

E. Other Personnel *(repeat this section as necessary for all Other Personnel of the Applicant, i.e. Services Provider, Property Manager, consultants, etc., who will* ***NOT*** *have any ownership interest in the proposed project)*

Name	
Title	
Role on Proposed Project	
Address	
Phone	
Fax	
Email	

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other qualifications materials as outlined in the RFQ.

Attachment #2: Staffing Workload Form

Staff Name/Position Title	Total FTE %	% FTE By Task						
		Projects (1) (2)					Other	
		____	____	____	____	____	Adminstration	Miscellaneous
	100%							
	100%							
	100%							
	100%							
	100%							
	100%							
	100%							

(1) List all development projects, including the subject site, (existing or contemplated) that each person is expected to spend time on (from predev start date to start of construction)

(2) Attach additional sheets if necessary

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. However, the completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

Attachment 3: Comparable Project Experience

Please complete this chart to describe Developer's experience in projects that are *comparable* to the proposed project, as defined in the RFQ. Each Developer may submit up to two (2) comparable projects completed within the past ten (10) years.

Developer Name: ____

	PROJECT #____
Project Name and Address	
Developer Name (if different than above)	
Developer Role (*i.e.* managing partner, limited partner, consultant, etc.)	
Current Project Status (predev, in construction, complete)	
Total Number of Residential Units	
Unit Mix (*i.e.* # of studios, 1-bdrms, etc.)	
Total Residential Square Footage	
Total Square Footage of Commercial Area and Use, if any	
Population Served (including average affordability level)	
Green Building Features, if any	
Construction Type (and indicate material, *i.e.* wood, steel, etc.)	
Construction Start Date	
Construction Completion Date (actual or estimated)	
Total Development Cost	
Financing Sources & Contact Info (list entity, contact names and phone numbers for each source)	
Government Affordable Housing Program, if any (provide program name, agency, contact names/phone)	
Budget/Schedule Variance (describe any variance from budget and schedule approved at construction start; explain amount, length of time, reasons and source of funds to cover additional costs)	

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFP.

Attachment 4: San Francisco Project Experience

Please complete this chart to describe Developer's experience in projects that are *within San Francisco only*. The Developer does not need to include any projects already listed under the Comparable Projects section.

Developer Name: ____

	PROJECT #____
Project Name and Address	
Developer Name (if different than above)	
Developer Role (*i.e.* managing partner, limited partner, consultant, etc.)	
Current Project Status (predev, in construction, complete)	
Type of Project (*i.e.* family rental, senior rental, supportive housing, homeownership)	
Total Number of Residential Units	
Unit Mix (*i.e.* # of studios, 1-bdrms, etc.)	
Total Residential Square Footage	
Total Square Footage of Commercial Area and Use, if any	
Population Served (including average affordability level)	
Green Building Features, if any	
Construction Type (and indicate material, *i.e.* wood, steel, etc.)	
Construction Start Date	
Construction Completion Date (actual or estimated)	
Total Development Cost	
Financing Sources & Contact Info (list entity, contact names and phone numbers for each source)	
Government Affordable Housing Program Involvement (briefly describe)	
Budget/Schedule Variance (describe any variance from budget and schedule approved at construction start; explain amount, length of time, reasons and source of funds to cover additional costs)	

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. The completed form however must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

Attachment 5: Property Management Experience

Please complete this chart to describe all comparable projects currently managed, preferably in San Francisco.

Property Manager Name: ___________________________________

Project Name and Address	**Owner's Name**	**Project Type** (*i.e.* family rental, senior rental, ownership)	**Total # of Residential Units and Unit Mix** (*i.e.* # of studios, 1-bdrms, etc.)	**Population Served** (incl. avg. affordability level)	**Building Type** (*i.e.* townhouses over flats, high-rise, etc.)	**Government Program**, if any (incl. program, agency, contact name and phone number)	**Dates Managed** (if contract was terminated by owner, describe circumstances)

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

Attachment 6: Services Provider Experience

Please complete this chart to describe all comparable projects in which services are being provided by the Services Provider, preferably in San Francisco.

Services Provider Name: ________________________________

Project Name and Address	**Owner's Name**	**Total # of Residential Units and Unit Mix** (*i.e.* # of studios, 1-bdrms, etc.)	**Population Served** (incl. avg. affordability level)	**List of Services Provided** (indicate if provided on-site or off-site)	**Staffing Level** (# of staff, title/role, and % FTE)	**Funding Source** (amount and type, *i.e.* operating budget, HSA/HSH contract, etc.)	**Dates Services Provided** (if no longer providing services, explain reason)

NOTE: This form will be posted along with the RFQ on OCII's website and can be downloaded and filled out electronically. The completed form must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

Attachment 7: Disclosure Questions

Instructions: Please respond completely to each question listed below using the space provided. Use a separate sheet of paper, if necessary. Please state "No" or "None" when appropriate. Do not leave a question blank or state "N/A". If the Applicant[1] is an individual, then the information relative to that individual should be disclosed. If the Applicant is a group or joint venture, then information relative to each member of the group or entities that comprise the joint venture should be disclosed. If the applicant is a corporation, then the information relative to the corporation should be disclosed.

1. Has Applicant ever defaulted on a loan or other financial obligation? This includes all affiliate corporations and partnerships in which Applicant is a general partner. If so, please describe the circumstances including dates and current status.

Answer: ____

____

2. Are there any prior or pending legal proceedings, actions, convictions or judgments that have been filed against Applicant or its wholly owned subsidiaries, or any prior or pending arbitrations or mediations. If so, provide dates the complaints were filed and the present status of the litigation or the status of the arbitrations or mediations.

Answer: ____

____

3. Are there any prior or pending administrative complaint/hearing against or any debarment or suspension of or other administrative determination by any federal, state or local government entity relating to Applicant, against any of Applicant's affiliated corporations or partnerships in which applicant is a general partner, or other business entity. If so, please describe the circumstances including dates, agency or body conducting the investigation or inquiry and the current status.

Answer: ____

____

4. Has Applicant or its wholly owned subsidiaries ever filed for bankruptcy? Please include dates and jurisdiction of filing, the reason, and current status.

Answer: ____

____

[1] For the purposes of this RFQ, the term "Applicant" shall mean and refer to the respondent to this RFQ regardless of legal form. Thus Applicant applies to individuals, sole proprietorships, joint ventures, unincorporated associations, partnerships, LLCs, LLPs, corporations (whether for profit, nonprofit, California or out of state) and any other entity legally entitled to do business in the State of California.

5. Describe any business, property, gifts, loans, investments or other financial relationships Applicant, its individual principals, corporation, LLC, LLP or any of applicant's affiliated corporations or partnerships in which Applicant is a general partner, or other business entity, with any member of the Agency Commission or his/her immediate family which are financial interest as defined by Section 87103 of the Fair Political Practices Act.[2]

Answer: ____

____

Applicant(s) hereby certifies under penalty of perjury under the laws of the State of California that all information provided in the Disclosure Questionnaire is true and correct.

Date: ______________ Signed: _________________________________

[2] In summary Government Code Section 87100 requires any public officials participating in making decisions to refrain from using their official position to influence a governmental decision in which they know or has reason to know they have a financial interest. Section 87103 defines a financial interest as one that has a material, financial effect on the official or a member of their immediate family as follows: business interest – over $2,000; real property interest – over $2,000; other source of income within 12 months before the decision – over $500; gift or intermediary for donor of gift within 12 months - $250; business entity in which the official is a director, officer, partner, trustee, employee or holds a position of management. See Government Code Section 87103 for the complete definition.

Attachment 8: Statement of Compliance with OCII Policies & Certification of Applicant

Applicant(s) ______________________________ agree(s) to comply with all of OCII's policies, including but not limited to insurance and indemnification requirements found in this RFQ.

Date: _______________ Signed: ____________________________________

Applicant(s) hereby certify under penalty of perjury under the laws of the State of California that all information provided in the application is true and correct.

Date: _______________ Signed: ____________________________________

Attachment 9: Offer to Negotiate Exclusively

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

Attention: Thor Kaslofsky
Executive Director

Exclusive Right to Negotiate

Parcel ____________, Assessor's Block 3739, Lot 029

Mission Bay South Redevelopment Project Area

The undersigned developer ("Developer") hereby submits to the Office of Community Investment and Infrastructure ("OCII"), an Offer to Negotiate Exclusively ("Offer") for up to 90 days for the right to lease and develop the subject property, Parcel __________ (the "Site"), located at **between 3rd Street, Mission Rock Street, China Basin Street, and Mission Bay South Block 4 West**, according to the development opportunity set forth in OCII's Request for Qualifications dated **October 19, 2023**, hereinafter called the "RFQ". This Offer may be extended for up to three (3) additional 90-day periods at the sole discretion of the Executive Director of OCII.

The 90-day Offer period shall begin on the date of the OCII Commission's approval of such Exclusive Negotiations, as memorialized by an OCII Resolution. During the Exclusive Negotiations period, OCII and Developer shall seek to complete a long-term **Ground Lease**, which shall set forth the terms of the Developer's program and development for the Site.

The Developer hereby delivers its Offer to Negotiate Payment (the "Payment") in the form of a certified check or cashier's check, unless otherwise waived by OCII, made payable to the Office of Community Investment and Infrastructure in the amount of **One Thousand Dollars ($1,000.00)**.

This Offer to Negotiate Exclusively is made upon the following terms and conditions:

1. The Developer understands and agrees that:

   (a) The Payment of **One Thousand Dollars ($1,000.00)** shall become non-refundable in the event that the Commission approves the Developer for Exclusive Negotiations for development of the Site. The Payment shall be refunded to the Developer if it is not selected to enter Exclusive Negotiations.

(b) The Offer to Negotiate Payment requirement may, at OCII's sole discretion, be waived for California-based nonprofit corporations with 501(c)(3) federal tax-exempt status.

2. The Developer agrees (1) that OCII shall have no liability whatsoever of any kind or character; and (2) that the Developer has no, and shall not obtain, any claim or claims against OCII or OCII Property (all as hereafter defined), directly or indirectly, by reason of all or any of the following:

(a) Any aspect of the RFQ including any information or material set forth herein or referred to therein.

(b) Any modification or suspension of the RFQ or any modification of the scope of the project described in the RFQ, or informalities or defects therein.

(c) Any modification of or informality or defect in the selection procedure or any act or omission of OCII with respect thereto, including, but not limited to, OCII due diligence regarding any developer, including contacts and consultations with any developer as to any matter.

(d) The rejection of any Offer to Negotiate Exclusively, including this Offer to Negotiate Exclusively.

(e) The acceptance by OCII of any Offer to Negotiate Exclusively, including this Offer to Negotiate Exclusively.

(f) Entering into and thereafter engaging in Exclusive Negotiations.

(g) The termination of Exclusive Negotiations.

(h) Entering into any Ground Lease, Loan Agreement, Development and Disposition Agreement, or any other agreement relating to the RFQ or as a result thereof.

(i) Any statements, representations, acts or omissions of OCII in connection with all or any of the foregoing.

(j) The exercise of any OCII discretion set forth in or with respect to any of the foregoing.

(k) If the Developer is selected for Exclusive Negotiations but the Developer is not approved by OCII for any reason, OCII shall retain the Payment as liquidated damages. The Developer agrees that **One Thousand Dollars ($1,000.00)** is a reasonable sum, considering all the circumstances existing at the date of this agreement, including the relationship of the sum to the range of harm to OCII that reasonably could be anticipated, and the anticipation that establishing proof of actual damages would be costly, difficult, and inconvenient. In placing their initials below, each party specifically confirms the accuracy of the statement made above and the fact that each party was represented by counsel who explained the consequences of this liquidated damages provision at the time this agreement was made.

OCII Initials__________ Developer Initials_______

(l) Any and all other matters arising out of or directly or indirectly connected with all or any of the foregoing.

The undersigned further, by its execution of this Offer to Negotiate Exclusively, expressly and absolutely waives any and all claims against OCII and OCII Property, directly or indirectly arising out of or in any way connected with all or any of the foregoing.

For purposes of this Section 3, the word “OCII" includes its members, officers, employees, agents, successors, and assigns; and the words "OCII Property" include property which is the subject of the RFQ and all other property of OCII, real, personal or of any other kind or character. The words "claim or claims" include any and all protests, rights, remedies, interests, objections, claims, demands, actions, or causes of action of every kind or character whatsoever, in law or equity, for money or otherwise, including but not limited to claims for loss, expense or damage, claims to property, real or personal, or rights or interests therein, and claims to contract or development rights or development interests of any kind or character in any OCII property. The words "Developer" or "developers" includes any person, entity or group responding to OCII’s RFQ through an executed Offer to Negotiate Exclusively.

3. The Developer understands that the nature and type of development is subject to the approval of OCII. The Developer further understands that it will be required to make full disclosure to OCII of its principal officers, stockholders, members, and all other pertinent information concerning the Developer and its associates.

4. The Developer understands that its selection of an architect and any other principal association of the undersigned Developer for the purpose of developing the Site is subject to the approval of OCII.

5. If OCII accepts its Offer to Negotiate Exclusively, the Developer understands that there shall be no change in its composition or any interest therein by transfer, assignment or otherwise, nor any interest therein or any part thereof, to any person or entity without the prior written consent of OCII after approval by the OCII Commission.

6. The Developer understands that if it is not selected to enter Exclusive Negotiations in the event of the rejection of the undersigned and/or the selection of another developer, the **One Thousand Dollar ($1,000.00)** Offer to Negotiate Payment shall be returned to the undersigned Developer, without interest.

7. The Developer understands that the OCII Commission must approve and authorize acceptance of this Offer and any extension of the up to 90-day negotiations period.

8. The Developer understands that during the period of Exclusive Negotiations it will negotiate in good faith any and all agreements between itself and OCII that the OCII requires.

9. The Developer understands that negotiations may be extended beyond the up to 90-day period by agreement of OCII and itself to enable the undersigned Developer and OCII to negotiate any and all agreements required by OCII.

10. The Developer understands that OCII will not solicit or consider any other qualifications submittals or negotiate with any other developer during the period of Exclusive Negotiations.

11. The Developer understands that if negotiations culminate in agreements with OCII, such agreements become final only after and if the agreements have been considered and approved by the OCII Commission, and, as applicable, the San Francisco Board of Supervisors after public hearings, and the agreements are thereafter duly executed.

12. The Developer understands that it, as well as its consultants, contractors, subcontractors and tenants, will be required as part of any agreement approved under Paragraph 10 above to comply with OCII's Equal Opportunity Program requirements throughout the development process, including the submission of an Equal Opportunity Program for OCII approval. The Developer understands that OCII's Contract Compliance division is available to assist in formulating an Equal Opportunity Program.

13. The Developer understands that it, as well as its contractors and subcontractors, will be required as part of any agreement approved under Paragraph 12 above to comply with OCII's Prevailing Wage Provisions (Labor Standards) throughout the development process. The Developer acknowledges that the Prevailing Wage Provisions are set forth as an attachment to the RFQ and that OCII's Contract Compliance Division is available to assist in the interpretation and implementation of such provisions.

14. The Developer acknowledges that it has read the RFQ and by this offer further acknowledges and accepts all of the matters set forth therein. The Developer understands that failure to include all required information required by the RFQ may be grounds for rejecting this offer.

The parties hereby agree to the terms of this Offer to Negotiate Exclusively, as indicated by the signatures of their authorized representatives, below:

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCURE:	DEVELOPER:
By ______________________________ Executive Director	By: ______________________________ Title:
Date ____________________________	Date _____________________________
	By: ______________________________ Title:
	Date _____________________________

Attachment #10: Submission Requirements Checklist

Section	Check off all items contained in the qualifications submittal and sign and date below. *(Please put "N/A" for any items that are not applicable to your submittal.)*	
V. A	**DEVELOPMENT VISION**	
1	Project Description Narrative (max. 6 pages)	
2	Marketing Approach Narrative (max. 2 pages)	
V. B	**APPLICANT DESCRIPTION**	
1	Applicant Structure and Approach Narrative (max. 2 pages)	
2	MOUs	
3	Applicant Description Form: Attachment 1	
4	Résumés	
5	Organizational Documents (Developer/Co-Developers)	
5.a	Certificate of good standing from California Secretary of State	
5.b	Certification of 501(c)(3) status from the Internal Revenue Services	
5.c	Certification of 501(c)(3) status from the California Franchise Tax Board	
5.d.i	Federal Tax Returns (last 2 years), ***or***	
5.d.ii	Audited Financial Statements (last 2 years)	
V.C	**DEVELOPER AND CO-DEVELOPER EXPERIENCE AND CAPACITY**	
1	Developer and Co-Developer Experience Narrative (max. 2 pages)	
2	Developer and Co-Developer Experience in Comparable Projects: Attachment 3	
3	Developer and Co-Developer Workload Capacity: Attachment 2	
4	Developer and Co-Developer Experience in Other San Francisco Projects: Attachment 4	
5	Workforce and Contracting Action Plan Narrative (max. 3 pages)	
V.D	**ARCHITECT'S EXPERIENCE AND CAPACITY**	
1	Architect's Experience Narrative (max. 2 pages)	
2	Architect's Experience in Comparable Projects: Project Descriptions/Photos	
3	Architect's Workload Capacity: Attachment 2	
V.E	**SERVICES PROVIDER EXPERIENCE**	
1	Service Provider's Experience Narrative (max. 1 page)	
2	Service Provider's Experience in Comparable Projects: Attachment 6	
V.F	**PROPERTY MANAGER EXPERIENCE**	
1	Property Manager's Experience Narrative (max. 1 page)	
2	Property Management Experience in Comparable Projects: Attachment 5	
V.G	**OTHER REQUIRED INFORMATION**	
1	Disclosure Questions: Attachment 7	
2	Statement of Compliance with OCII Policies: Attachment 8	
3	Offer to Negotiate Exclusively Form: Attachment 9	
4	Offer to Negotiate Exclusively Deposit	
5	Submission Checklist: Attachment 10	

Applicant hereby certifies that all items checked on this form are included in the qualifications submittal.

____
Signature

____
Date

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (OCII)
(SUCCESSOR TO THE SAN FRANCISCO REDEVELOPMENT AGENCY)
DECLARATION FORM
Nondiscrimination in Contracts and Benefits

Section A

Is your company/organization currently certified by the City and County of San Francisco in compliance with Administrative Code 12B Equal Benefits Ordinance and will your company/organization ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts? If yes, please indicate below, skip Section B, and execute the Declaration in Section C. If no, please skip Section A and complete Sections B and C.

☐ My company/organization is certified and compliant with the 12B Equal Benefits Ordinance of the City and County of San Francisco and there has been no change in our 12B Declaration since certification. My company/organization agrees to ensure nondiscrimination in contracts and benefits pursuant to 12B on OCII contracts. (Please check box to affirm, if applicable)

Section B

1. Nondiscrimination—Protected Classes

a. Is it your company/organization's policy that you will not discriminate against your employees, applicants for employment, employees of the Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency) (Agency), or City and County of San Francisco (City), or members of the public for the following reasons:

- Race ❑ Yes ❑ No
- color ❑ Yes ❑ No
- Creed ❑ Yes ❑ No
- Religion ❑ Yes ❑ No
- ancestry ❑ Yes ❑ No
- national origin ❑ Yes ❑ No
- Age ❑ Yes ❑ No
- sex ❑ Yes ❑ No
- sexual orientation ❑ Yes ❑ No
- gender identity ❑ Yes ❑ No
- marital status ❑ Yes ❑ No
- domestic partner status ❑ Yes ❑ No
- Disability ❑ Yes ❑ No
- AIDS or HIV status ❑ Yes ❑ No

b. Do you agree to insert a similar nondiscrimination provision in any subcontract you enter into for the performance of a substantial portion of the contract that you have with the Agency or the City?

❑ Yes ❑ No

If you answered "no" to any part of Question 1a or 1b, the Agency or the City cannot do business with you.

2. Nondiscrimination—Equal Benefits (Question 2 does not apply to subcontracts or subcontractors)

a. Do you provide, or offer access to, any benefits to employees with spouses or to spouses of employees?

❑ Yes ❑ No

b. Do you provide, or offer access to, any benefits to employees with domestic partners (Partners) or to domestic partners of employees?

❑ Yes ❑ No

If you answered "no" to both Questions 2a and 2b, skip 2c and 2d, and sign, date and return this form. If you answered "yes" to Question 2a or 2b, continue to 2c.

c. If "yes," please indicate which ones. This list is not intended to be exhaustive. Please list any other benefits you provide (even if the employer does not pay for them).

Attachment #11

Benefit	Yes, for Spouses	Yes, for Partners	No
• Medical (health, dental, vision)	❑	❑	❑
• Pension	❑	❑	❑
• Bereavement	❑	❑	❑
• Family leave	❑	❑	❑
• Parental leave	❑	❑	❑
• Employee assistance programs	❑	❑	❑
• Relocation and travel	❑	❑	❑
• Company discounts, facilities, events	❑	❑	❑
• Credit union	❑	❑	❑
• Child care	❑	❑	❑
• Other ________________________	❑	❑	❑
• Other ________________________	❑	❑	❑

d. If you answered "yes" to Question 2a or 2b, and in 2c indicated that you do not provide equal benefits, you may still comply with the Policy if you have taken all reasonable measures to end discrimination in benefits, have been unable to do so, and now provide employees with a cash equivalent.

(1) Have you taken all reasonable measures? ❑ Yes ❑ No

(2) Do you provide a cash equivalent? ❑ Yes ❑ No

3. Documentation for Nondiscrimination in Benefits (Questions 2c and 2d only)

If you answered "yes" to any part of Question 2c or Question 2d, you must attach to this form those provisions of insurance policies, personnel policies, or other documents you have which verify your compliance with Question 2c or Question 2d. Please include the policy sections that list the benefits for which you indicated "yes" in Question 2c. If documentation does not exist, attach an explanation, e.g., some of your personnel policies are unwritten. If you answered "yes" to Question 2d(1) complete and attach form SFRA/CC-103, "Nondiscrimination in Benefits—Reasonable Measures Affidavit," which is available from the Agency. You need not document your "yes" answer to Question 1a or Question 1b.

Section C

I declare (or certify) under penalty of perjury that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this _____ day of _________________, 20____, at ________________________________, __________.
(City) (State)

Name of Company/Organization: ____

Doing Business As (DBA): ____

Also Known As (AKA): ____

General Address: ____

Remittance Address (if different from above): ____

Name of Signatory: ________________________________ Title:_____________________
(Please Print)

Signature: ____

Phone Number: ______________________ Federal Tax Identification Number: _________________________

Approximate number of employees in the U.S.:___________ Vendor Number:_____________________________
(if known)

❑ Check here if your address has changed.
❑ Check here if your organization is a non-profit.
❑ Check here if your organization is a governmental entity.

THIS FORM MUST BE RETURNED WITH THE ORIGINAL SIGNATURE

Please return this form to: Office of Community Investment and Infrastructure (successor to the San Francisco Redevelopment Agency), One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103

Attachment #12

SMALL BUSINESS ENTERPRISE AGREEMENT

The company or entity executing this Small Business Enterprise Agreement, by and through its duly authorized representative, hereby agrees to use good faith efforts to comply with all of the following:

I. PURPOSE. The purpose of entering into this Small Business Enterprise Program agreement ("**SBE Program**") is to establish a set of Small Business Enterprise ("SBE") participation goals and good faith efforts designed to ensure that monies are spent in a manner which provides SBEs with an opportunity to compete for and participate in contracts by or at the behest of the Successor Agency to the San Francisco Redevelopment Agency ("**Agency**") and/or the Agency-Assisted Contractor. A genuine effort will be made to give First Consideration to Project Area SBEs and San Francisco-based SBEs before looking outside of San Francisco.

II. APPLICATION. The SBE Program applies to all Contractors and their subcontractors seeking work on Agency-Assisted Projects on or after November 17, 2004 and any Amendment to a Pre-existing Contract**.**

III. GOALS. The Agency's SBE Participation Goals are:

CONSTRUCTION	**50%**
PROFESSIONAL SERVICES	**50%**
SUPPLIERS	**50%**

IV. TRAINEE HIRING GOAL. In addition to the goals set forth above in Section III, there is a trainee hiring goal for all design professionals (architects, engineers, planners, and environmental consultants) on contracts or subcontracts over $100,000. The trainee hiring goal requires architects, engineers and other design professionals only to hire qualified San Francisco residents as trainees. The trainee hiring goal is based upon the total amount of the design professional's contract as follows:

Trainees	Design Professional Fees
0	$ 0 – $99,000
1	$ 100,000 – $249,999
2	$ 250,000 – $499,999
3	$ 500,000 – $999,999
4	$1,000,000 – $1,499,999
5	$1,500,000 – $1,999,999
6	$2,000,000 – $4,999,999
7	$5,000,000 – $7,999,999
8	$8,000,000 – or more

A. Procedures For Trainee Hires

1. Compliance with the Trainee Hiring Goal

Design professionals will be deemed in compliance with this Agreement by meeting or exceeding the trainee hiring goal or by take the following steps in good faith towards compliance.

2. Execution and Incorporation of this Agreement to Sub-agreements

The Agency-Assisted Contractor shall execute this Agreement and shall incorporate by reference or attach this Agreement to its contract(s) with the architects, engineers and other design professionals. Thus, each design professional (regardless of tier) will be obligated to comply with the terms of this Agreement. The Agency-Assisted Contractor and/or the design professionals shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. Contact Educational Institutions

Each design professional shall call the City and County of San Francisco Office of Economic and Workforce Development (OEWD) or educational institution(s) and request referrals for the required trainee positions. The request will indicate generally: (1) the number of trainees sought; (2) the required skills set (keeping in mind that these are trainee positions); (3) a brief description of job duties; (4) the duration of the trainee period; and (5) any other information that would be helpful or necessary for the educational institution or OEWD to make the referral. The minimum duration of assignment is part-time for one semester. However, design professionals are strongly encouraged to offer longer trainee employment periods to allow a more meaningful learning experience. (For example, a half-time or full-time assignment over the summer.) Although the initial contact shall be made by phone, the educational institution(s) or OEWD may require the design professionals to send a confirming letter or complete its form(s). Each design professional is required to timely provide all of the information requested by the OEWD or educational institution(s) in order to get the referrals.

4. Response from Educational Institutions

Each educational institution may have a different way of referring applicants, such as: sending resumes directly to the design professional; having the applicant contact the design professional by phone; require design professionals to conduct on-campus interviews; or some other method. The timing and method of the response will normally be discussed with the design professional during the initial phone request. The design professional is required to follow the process set by the educational institution(s) in order to get the referrals.

5. Action by Design Professionals When Referrals Available

The design professional shall interview each applicant prior to making the decision to hire or not to hire. The design professional shall make the final determination whether the applicant is qualified for the trainee position and the ultimate hiring decision. The Agency strongly encourages the design professional to hire a qualified San Francisco resident referred by the educational institution(s). The design professional shall notify the educational institution in writing of the hiring decision.

6. Action by Design Professionals When Referrals Unavailable

If after contacting two or more educational institutions the design professional is informed that no San Francisco residents are currently available, then the design professional should wait thirty (30) days and contact the educational institutions a second time to inquire whether qualified San Francisco residents are currently available for hire as trainees. If no qualified San Francisco residents are currently available after the second request, then the design professional has fulfilled its obligation under this Agreement, provided that the design professional has acted in good faith. The design professional must retain its file on all of the steps it took to comply with this Section IV and submit a copy of its file to the Agency Compliance Officer upon request.

7. Action by Design Professional When No Response From Educational Institutions

If a design professional has not received a response to its request for referrals from any of the educational institutions within five (5) business days after the design professional has fully complied with the procedures, if any, set by the educational institution(s) for obtaining referrals, then the design professional should immediately advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause the educational institution(s) to respond to the design professional within five (5) business days of the Agency Compliance Officer being notified. If the design professional still has not received a response from the educational institution(s) after this additional five (5) business day period has run, then the design professional has fulfilled its obligation under this Section IV, provided that the design professional has acted in good faith. Each design professional must retain its file on all of the steps it took to comply with this Agreement and submit a copy of its file to the Agency Compliance Officer upon request.

8. **Termination of Trainee for Cause**

If at any time during the Term, it becomes necessary to terminate for cause a trainee who was hired under this Agreement and the design professional has not met the minimum duration requirements under this policy, then the design professional shall hire a new trainee by following the process set forth above.

B. Reporting Requirements For Trainee Hires

1. **Reporting**

Upon completion of the Term of the Agreement or the term of the design professional's contract with the Agency-Assisted Contractor, whichever is less, the design professional (i.e. Employer) shall fax or email a report to the Agency Compliance Officer stating in detail: (1) the names of the San Francisco resident(s) interviewed for trainee positions; (2) the date(s) of each interview; (3) the reasons for not hiring the San Francisco resident(s) interviewed; (4) the name, address, gender and racial/ethnic background of the successful candidate for the trainee position; and (5) the number of San Francisco residents hired as trainees.

2. **Report on Terminations**

In the event a San Francisco resident hired pursuant to this Agreement is terminated for cause, the responsible design professional shall within five (5) days fax or email a termination report to the Agency Compliance Officer stating in detail: (1) the name of the trainee(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); and (4) whether the design professional replaced the trainee(s).

V. TERM. The obligations of the Agency-Assisted Contractor and/or Contractor(s) with respect to SBE Program shall remain in effect until completion of all work to be performed by the Agency-Assisted Contractor in connection with the original construction of the site and any tenant improvements on the site performed by or at the behest of the Agency-Assisted Contractor unless another term is specified in the Agency-Assisted Contract or Contract.

VI. FIRST CONSIDERATION. First consideration will be given by the Agency or Agency-Assisted Contractor in awarding contracts in the following order: (1) Project Area SBEs, (2) San Francisco-based SBEs (outside an Agency Project or Survey Area, but within San Francisco), and (3) Non-San Francisco-based SBEs. Non-San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non-San Francisco-based SBEs.

VII. <u>ASSOCIATIONS AND JOINT VENTURES (JV).</u> OCII will recognize JVs and Associations between non-SBE firms and SBE firms where the SBE partner performs at least 35% of the work defined in the JV or Association agreement, and receives at least 35% (or a proportionate share, whichever is higher) of the dollars to be earned by the JV or Association. Under this arrangement, OCII will deem the JV or Association to be an SBE for the purposes of meeting the SBE goal. Due to the technical nature of the disciplines and the various standards of each industry, OCII will not require a standardized agreement. However, each JV and Association agreement must be in writing and contain, at a minimum, the following terms:

- Define the management of the agreement between the parties;
- Define the technical and managerial responsibilities of each party;
- Define the scope of work to be performed by each party, and where possible identify the percentage and break-down of scope of work for each party;
- Identify any additional subcontractors or consultants that will perform the work under the agreement;
- Define the schedule, duration, and deliverable of the agreement;
- Detail the fee schedule, fee breakdown, or division of compensation;
- Specify insurance requirements and/or if each party shall maintain its own insurance;
- Specify how additional work or changes in scope shall be negotiated or determined and which party shall be responsible for notifying OCII of the changes;
- Specify how claims and disputes will be resolved.

A copy of the JV or Association agreement must be provided to OCII for approval in order for the JV or Association to be recognized.

VIII. <u>CERTIFICATION.</u> The Agency no longer certifies SBEs but instead relies on the information provided in other public entities' business certifications to establish eligibility for the Agency's program. Only businesses certified by the Agency as SBEs whose certification has not expired and economically disadvantaged businesses that meet the Agency's SBE Certification Criteria will be counted toward meeting the participation goals. The SBE Certification Criteria are set forth in the SBE Policy.

IX. <u>INCORPORATION.</u> Each contract between the Agency, Agency-Assisted Contractor or Contractor on the one hand, and any subcontractor on the other hand, shall physically incorporate as an attachment or exhibit and make binding on the parties to that contract, a true and correct copy of this SBE Agreement.

X. <u>DEFINITIONS.</u> Capitalized terms not otherwise specifically defined in this SBE Agreement have the meaning set forth in the Agency's SBE Policy adopted on November 16, 2004 and amended on July 21, 2009 ("**Policy**") or as defined in the Agency-Assisted Contract or Contract. In the event of a conflict in the meaning of a defined term, the SBE Policy shall govern over the Agency-Assisted Contract or Contract which in turn shall govern over this SBE Agreement.

<u>Affiliates</u> means an affiliation with another business concern is based on the power to control, whether exercised or not. Such factors as common ownership, common management and identity of interest (often found in members of the same family), among others, are indicators of affiliation. Power to control exists when a party or parties have 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Affiliated business concerns need not be in the same line of business.

Agency-Assisted Contract means, as applicable, the Development and Disposition Agreement ("**DDA**"), Land Disposition Agreement ("**LDA**"), Lease, Loan and Grant Agreements, and other similar contracts, and agreement that the Agency executed with for-profit or non-profit entities.

Agency-Assisted Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed an Agency-Assisted Contract.

Agency Contract means personal services contracts, purchase requisitions, and other similar contracts and operations agreements that the Agency executes with for-profit or non-profit entities.

Amendment to a Pre-existing Contract means a material change to the terms of any contract, the term of which has not expired on or before the date that this Small Business Enterprise Policy ("SBE Policy") takes effect, but shall not include amendments to decrease the scope of work or decrease the amount to be paid under a contract.

Annual Receipts means "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. The term does not include net capital gains or losses; taxes collected for and remitted to a taxing authority if included in gross or total income, such as sales or other taxes collected from customers and excluding taxes levied on the concern or its employees; proceeds from transactions between a concern and its domestic or foreign affiliates; and amounts collected for another by a travel agent, real estate agent, advertising agent, conference management service provider, freight forwarder or customs broker. For size determination purposes, the only exclusions from receipts are those specifically provided for in this paragraph. All other items, such as subcontractor costs, reimbursements for purchases a contractor makes at a customer's request, and employee-based costs such as payroll taxes, may not be excluded from receipts. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts. If a concern has not been in business for three (3) years, the average weekly revenue for the number of weeks the concern has been in business is multiplied by 52 to determine its average annual receipts.

Arbitration Party means all persons and entities who attend the arbitration hearing pursuant to Section XIII, as well as those persons and entities who are subject to a default award provided that all of the requirements in Section XIII.L. have been met.

Association means an agreement between two parties established for the purpose of completing a specific task or project. The associate agreement shall provide the SBE associate a significant project management role and the SBE associate shall be recognized in marketing and collateral material. The Association shall be distinguished from traditional subcontracting arrangements via a written Association agreement that defines the management of the agreement, technical and managerial responsibilities of the parties, and defined scopes and percentages of work to be performed by each party with its own resources and labor force. Unlike the more formal Joint Venture, an Association does not require formation of a new business enterprise between the parties. The Associate agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Commercially Useful Function means that the business is directly responsible for providing the materials, equipment, supplies or services in the City and County of San Francisco ("City") as required by the solicitation or request for quotes, bids or proposals. Businesses that engage in the business of providing brokerage, referral or temporary employment services shall not be deemed to perform a "commercially useful function" unless the brokerage, referral or temporary employment services are required and sought by the Agency.

Contract means any agreement between the Agency and a person(s), firm, partnership, corporation, or combination thereof, to provide or procure labor, supplies or services to, for, or on behalf of the Agency.

Contractor means any person(s), firm, partnership, corporation, or combination thereof, who is negotiating or has executed a Contract.

Joint Venture means an entity established between two parties for the purposes of completing a venture or project. The Joint Venture agreement typically creates a separate business entity and requires acquisition of additional insurance for the newly created joint business entity. The Joint Venture agreement shall contain, at a minimum, provisions required by Section VII and be subject to OCII approval.

Non-San Francisco-based Small Business Enterprise means a SBE that has fixed offices located outside the geographical boundaries of the City.

Office" or "Offices means a fixed and established place(s) where work is performed of a clerical, administrative, professional or production nature directly pertinent to the business being certified. A temporary location or movable property or one that was established to oversee a project such as a construction project office does not qualify as an "office" under this SBE Policy. Work space provided in exchange for services (in lieu of monetary rent) does not constitute an "office." The office is not required to be the headquarters for the business but it must be capable of providing all the services to operate the business for which SBE certification is sought. An arrangement for the right to use office space on an "as needed" basis where there is no office exclusively reserved for the business does not qualify as an office. The prospective SBE must submit a rental agreement for the office space, rent receipt or cancelled checks for rent payments. If the office space is owned by the prospective SBE, the business must submit property tax or a deed documenting ownership of the office.

Project Area Small Business Enterprise means a business that meets the above-definition of Small Business Enterprise and that: (a) has fixed offices located within the geographical boundaries of a Redevelopment Project or Survey Area where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a Project Area or Survey Area business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in a Project Area or Survey Area for at least six months preceding its application for certification as a SBE; and (e) has a Project Area or Survey Area office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a SBE. Post office box numbers of residential addresses alone shall not suffice to establish a firms' location in a Project Area or Survey Area.

Project Area means an area of San Francisco that meets the requirements under Community Redevelopment Law, Health and Safety Code Section 33320.1. These areas currently include the Bayview Industrial Triangle, Bayview Hunters Point (Area B), Hunters Point Shipyard, Mission Bay (North), Mission Bay (South), Rincon Point/South Beach, South of Market, and Transbay.

San Francisco-based Small Business Enterprise means a SBE that: (a) has fixed offices located within the geographical boundaries of the City where a commercially useful function is performed; (b) is listed in the Permits and License Tax Paid File with a San Francisco business street address; (c) possesses a current Business Tax Registration Certificate at the time of the application for certification as a SBE; (d) has been located and doing business in the City for at least six months preceding its application for certification as a SBE; and (e) has a San Francisco office in which business is transacted that is appropriately equipped for the type of business for which the enterprise seeks certification as a

SBE. Post office box numbers or residential addresses alone shall not suffice to establish a firm's status as local.

Small Business Enterprise (SBE) means an economically disadvantaged business that: is an independent and continuing business for profit; performs a commercially useful function; is owned and controlled by persons residing in the United States or its territories; has average gross annual receipts in the three years immediately preceding its application for certification as a SBE that do not exceed the following limits:

Industry	**OCII SBE Size Standard**
Construction Contractors	$20,000,000
Specialty Construction Contractors	$14,000,000
Suppliers (goods/materials/ equipment and general services)	$10,000,000
Professional Services	$2,500,000
Trucking	$3,500,000

In addition, an economically disadvantaged business shall meet the other certification criteria described in Exhibit I of the SBE Policy in order to be considered an SBE by the Agency.

In order to determine whether or not a firm meets the above economic size definitions, the Agency will use the firm's three most recent business tax returns (i.e., 1040 with Schedule C for Sole Proprietorships, 1065s with K-1s for Partnerships, and 1120s for Corporations) to calculate the firm's three year average annual gross receipts. In addition, the calculation of a firm's size shall include the receipts of all affiliates.

Once a business reaches the 3-year average size threshold for the applicable industry the business ceases to be economically disadvantaged, it is not an eligible SBE and it will not be counted towards meeting SBE contracting requirements (or goals).

Specialty Construction Contractor means a contractor licensed by the Contractors State License Board under the "C" classification license pursuant to California Business and Professions Code Section 7058.

Survey Area means an area of San Francisco that meets the requirements of the Community Redevelopment Law, Health and Safety Code Section 33310. These areas currently include the Bayview Hunters Point Redevelopment Survey Area C.

XI. GOOD FAITH EFFORTS TO MEET SBE GOALS Compliance with the following steps will be the basis for determining if the Agency-Assisted Contractor and/or Consultant has made good faith efforts to meet the goals for SBEs:

A. Outreach. Not less than 30 days prior to the opening of bids or the selection of contractors, the Agency-Assisted Contractor or Contractor shall:

1. **Advertise**. Advertise for SBEs interested in competing for the contract, in general circulation media, trade association publications, including timely use of the ***Bid and Contract Opportunities*** newsletter published by the City and County of San Francisco Purchasing Department and

media focused specifically on SBE businesses such as the ***Small Business Exchange***, of the opportunity to submit bids or proposals and to attend a pre-bid meeting to learn about contracting opportunities.

2. **Request List of SBEs**. Request from the Agency's Contract Compliance Department a list of all known SBEs in the pertinent field(s), particularly those in the Project and Survey Areas and provide written notice to all of them of the opportunity to bid for contracts and to attend a pre-bid or pre-solicitation meeting to learn about contracting opportunities.

B. Pre-Solicitation Meeting. For construction contracts estimated to cost $5,000 or more, hold a pre-bid meeting for all interested contractors not less than 15 days prior to the opening of bids or the selection of contractors for the purpose answering questions about the selection process and the specifications and requirements. Representatives of the Contract Compliance Department will also participate.

C. Follow-up. Follow up initial solicitations of interest by contacting the SBEs to determine with certainty whether the enterprises are interested in performing specific items involved in work.

D. Subdivide Work. Divide, to the greatest extent feasible, the contract work into small units to facilitate SBE participation, including, where feasible, offering items of the contract work which the Contractor would normally perform itself.

E. Provide Timely and Complete Information. The Agency-Assisted Contractor or Contractor shall provide SBEs with complete, adequate and ongoing information about the plans, specifications and requirements of construction work, service work and material supply work. This paragraph does not require the Agency-Assisted Contractor or Contractor to give SBEs any information not provided to other contractors. This paragraph does require the Agency Assisted Contractor and Contractor to answer carefully and completely all reasonable questions asked by SBEs and to undertake every good faith effort to ensure that SBEs understand the nature and the scope of the work.

F. Good Faith Negotiations. Negotiate with SBEs in good faith and demonstrate that SBEs were not rejected as unqualified without sound reasons based on a thorough investigation of their capacities.

G. Bid Shopping Prohibited. Prohibit the shopping of the bids. Where the Agency-Assisted Contractor or Contractor learns that bid shopping has occurred, it shall treat such bid shopping as a material breach of contract.

H. Other Assistance. Assist SBEs in their efforts to obtain bonds, lines of credit and insurance. (Note that the Agency has a Surety Bond Program that may assist SBEs in obtaining necessary bonding.) The Agency-Assisted Contractor or Contractor(s) shall require no more stringent bond or insurance standards of SBEs than required of other business enterprises.

I. Delivery Scheduling. Establish delivery schedules which encourage participation of SBEs.

J. Utilize SBEs as Lower Tier Subcontractors. The Agency-Assisted Contractor and its Contractor(s) shall encourage and assist higher tier subcontractors in undertaking good faith efforts to utilize SBEs as lower tier subcontractors.

K. Maximize Outreach Resources. Use the services of SBE associations, federal, state and local SBE assistance offices and other organizations that provide assistance in the recruitment and placement of SBEs, including the Small Business Administration and the Business Development Agency of the Department of Commerce. However, only SBEs certified by the Agency shall count towards meeting the participation goal.

L. **Replacement of SBE.** If during the term of this SBE Agreement, it becomes necessary to replace any subcontractor or supplier, the Agency's Contract Compliance Specialist should be notified prior to replacement due to the failure or inability of the subcontractor or supplier to perform the required services or timely delivery the required supplies, then First Consideration should be given to a certified SBE, if available, as a replacement.

XII. ADDITIONAL PROVISIONS

A. **No Retaliation.** No employee shall be discharged or in any other manner discriminated against by the Agency-Assisted Contractor or Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to enforcement of this Agreement.

B. **No Discrimination.** There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of an Agency-Assisted Contract or Contract. The Agency-Assisted Contractor or Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations.

C. **Compliance with Prompt Payment Statute.** Construction contracts and subcontracts awarded for $5,000 or more shall contain the following provision:

> "Amounts for work performed by a subcontractor shall be paid within seven (7) days of receipt of funds by the contractor, pursuant to California Business and Professions Code Section 7108.5 *et seq*. Failure to include this provision in a subcontractor or failure to comply with this provision shall constitute an event of default which would permit the Agency to exercise any and all remedies available to it under contract, at law or in equity."

In addition to and not in contradiction to the Prompt Payment Statute (California Business and Professions Code Section 7108.5 *et seq*.), if a dispute arises which would allow a Contractor to withhold payment to a subcontractor due to a dispute, the Contractor shall only withhold that amount which directly relates to the dispute and shall promptly pay the remaining undisputed amount, if any.

D. **Submission of Electronic Certified Payrolls**. For any Agency-Assisted Contract which requires the submission of certified payroll reports, the requirements of Section VII of the Agency's Small Business Enterprise Policy shall apply. Please see the Small Business Enterprise Policy for more details.

XIII. PROCEDURES

A. **Notice to Agency**. The Agency-Assisted Contractor or Contractor(s) shall provide the Agency with the following information within 10 days of awarding a contract or selecting subconsultant:

1. the nature of the contract, e.g. type and scope of work to be performed;
2. the dollar amount of the contract;
3. the name, address, license number, gender and ethnicity of the person to whom the contract was awarded; And
4. SBE status of each subcontractor or subconsultant.

B. **Affidavit**. If the Agency-Assisted Contractor or Contractor(s) contend that the contract has been awarded to a SBE, the Agency-Assisted Contractor or Contractor(s) shall, at the same time also submit to the Agency a SBE Application for Certification and its accompanying Affidavit completed by the SBE owner. However, a SBE that was previously certified by the Agency shall submit only the short SBE Eligibility Statement.

C. **Good Faith Documentation**. If the 50% SBE Participation Goals are not met in each category (Construction, Professional Services and Suppliers), the Agency-Assisted Contractor or Contractor(s) shall meet and confer with the Agency at a date and time set by the Agency. If the issue of the Agency-Assisted Contractor's or Contractor's good faith efforts is not resolved at this meeting, the Agency-Assisted Contractor or Contractor shall submit to the Agency within five (5) days, a declaration under penalty of perjury containing the following documentation with respect to the good faith efforts ("**Submission**"):

1. A report showing the responses, rejections, proposals and bids (including the amount of the bid) received from SBEs, including the date each response, proposal or bid was received. This report shall indicate the action taken by the Agency-Assisted Contractor or Contractor(s) in response to each proposal or bid received from SBEs, including the reasons(s) for any rejections.

2. A report showing the date that the bid was received, the amount bid by and the amount to be paid (if different) to the non-SBE contractor that was selected. If the non-SBE contractor who was selected submitted more than one bid, the amount of each bid and the date that each bid was received shall be shown in the report. If the bidder asserts that there were reasons other than the respective amounts bid for not awarding the contract to an SBE, the report shall also contain an explanation of these reasons.

3. Documentation of advertising for and contacts with SBEs, contractor associations or development centers, or any other agency which disseminates bid and contract information to small business enterprises.

4. Copies of initial and follow-up correspondence with SBEs, contractor associations and other agencies, which assist SBEs.

5. A description of the assistance provided SBE firms relative to obtaining and explaining plans, specifications and contract requirements.

6. A description of the assistance provided to SBEs with respect to bonding, lines of credit, etc.

7. A description of efforts to negotiate or a statement of the reasons for not negotiating with SBEs.

8. A description of any divisions of work undertaken to facilitate SBE participation.

9. Documentation of efforts undertaken to encourage subcontractors to obtain small business enterprise participation at a lower tier.

10. A report which shows for each private project and each public project (without a SBE program) undertaken by the bidder in the preceding 12 months, the total dollar amount of the contract and the percentage of the contract dollars awarded to SBEs and the percentage of contract dollars awarded to non-SBEs.

11. Documentation of any other efforts undertaken to encourage participation by small business enterprises.

D. **Presumption of Good Faith Efforts**. If the Agency-Assisted Contractor or Contractor(s) achieves the Participation Goals, it will not be required to submit Good Faith Effort documentation.

E. **Waiver**. Any of the SBE requirements may be waived if the Agency determines that a specific requirement is not relevant to the particular situation at issue, that SBEs were not available, or that SBEs were charging an unreasonable price.

F. **SBE Determination**. The Agency shall exercise its reasonable judgment in determining whether a business, whose name is submitted by the Agency-Assisted Contractor or Contractor(s) as a SBE, is owned and controlled by a SBE. A firm's appearance in any of the Agency's current directories will be considered by the Agency as prima facie evidence that the firm is a SBE. Where the Agency-Assisted Contractor or Contractor(s) makes a submission the Agency shall make a determination, as to whether or not a business which the Agency-Assisted Contractor or Contractor(s) claims is a SBE is in fact owned and controlled by San Francisco-based SBEs. If the Agency determines that the business is not a SBE, the Agency shall give the Agency-Assisted Contractor or Contractor a Notice of Non-Qualification and provide the Agency-Assisted Contractor or Contractor with a reasonable period (not to exceed 20 days) in which to meet with the Agency and if necessary make a Submission, concerning its good faith efforts. If the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to Section XIII.

G. **Agency Investigation**. Where the Agency-Assisted Contractor or Contractor makes a Submission and, as a result, the Agency has cause to believe that the Agency-Assisted Contractor or Contractor has failed to undertake good faith efforts, the Agency shall conduct an investigation, and after affording the Agency-Assisted Contractor or Contractor notice and an opportunity to be heard, shall recommend such remedies and sanctions as it deems necessary to correct any alleged violation(s). The Agency shall give the Agency-Assisted Contractor or Contractor a written Notice of Non-Compliance setting forth its findings and recommendations. If the Agency-Assisted Contractor or Contractor disagrees with the findings and recommendations of the Agency as set forth in the Notice of Non-Compliance, the Agency-Assisted Contractor or Contractor may request arbitration pursuant to this SBE Agreement.

XIV. <u>ARBITRATION OF DISPUTES</u>.

A. <u>Arbitration by AAA</u>. Any dispute regarding this SBE Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

B. <u>Demand for Arbitration</u>. Where the Agency-Assisted Contractor or Contractor disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Agency-Assisted Contractor or Contractor shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying any entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Agency-Assisted Contractor and Contractor fail to file a timely Demand for Arbitration, the Agency-Assisted Contractor and Contractor shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

C. <u>Parties' Participation</u>. The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, <u>provided</u> <u>however</u>, that the Agency-Assisted Contractor or Contractor made an initial timely Demand for Arbitration pursuant to Section XIII.B. above.

D. <u>Agency Request to AAA</u>. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

E. <u>Selection of Arbitrator</u>. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

F. <u>Setting of Arbitration Hearing</u>. A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

G. <u>Discovery</u>. In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

H. <u>Burden of Proof</u>. The burden of proof with respect to SBE status and/or Good Faith Efforts shall be on the Agency-Assisted Contractor and/or Contractor. The burden of proof as to all other alleged breaches by the Agency-Assisted Contractor and/or Contractor shall be on the Agency.

I. **California Law Applies.** Except where expressly stated to the contrary in this SBE Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

J. **Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Agency-Assisted Contract or this SBE Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Agency-Assisted Contract or this SBE Agreement, other than those minor modifications or extensions necessary to enable compliance with this SBE Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the SBE Program requirements in the Agency-Assisted Contract or this SBE Agreement. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this SBE Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

K. **Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

L. **Default Award; No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

M. **Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Agency-Assisted Contract, this SBE Agreement or any other agreement between the Agency, the Agency-Assisted Contractor or Contractor or to negotiate new agreements or provisions between the parties.

N. **Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

O. **Exculpatory Clause.** Agency-Assisted Contractor or Contractor (regardless of tier) expressly waive any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Agency-Assisted Contractor or Contractor (regardless of tier) acknowledge and agree that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this SBE Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. **Severability**. The provisions of this SBE Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this SBE Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this SBE Agreement or the validity of their application to other persons or circumstances.

Q. **Arbitration Notice:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

______________________________	______________________________
Agency	Agency-Assisted Contractor

XV. AGREEMENT EXECUTION

I, hereby certify that I have authority to execute this SBE Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's 50% SBE Participation Goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

______________________________	______________________________
Signature	Date
______________________________	______________________________
Print Your Name	Title
______________________________	
Company Name and Phone Number	

Attachment #13

MINIMUM COMPENSATION POLICY (MCP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the Minimum Compensation Policy (MCP), which became effective on September 25, 2001. The MCP requires contractors and subcontractors to provide the following to their employees covered by the MCP on OCII contracts and subcontracts for services: for Commercial Business MCP the wage rate is $13.34 per hour effective January 1, 2016; for Nonprofit MCP the wage rate is $12.25 per hour effective May 1, 2015 and $13.00 per hour effective July 1, 2016. The Minimum Compensation rate is adjusted on January 1 each year. In addition, 12 paid days off per year (or cash equivalent) and 10 days off without pay per year shall be offered.

The OCII may require contractors to submit reports on the number of employees affected by the MCP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the MCP will have the following effect:

- in each contract, the contractor will agree to abide by the MCP and to provide its employees the minimum benefits the MCP requires, and to require its subcontractors subject to the MCP to do the same.

- if a contractor does not provide the MCP minimum benefits, OCII can award a contract to that contractor only if the contract is exempt under the MCP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the MCP to your covered employees, and will ensure that your subcontractors also subject to the MCP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the MCP, available from the OCII's Contract Compliance Department at (415) 749-2400 or http://www.sfocii.org/index.aspx?page=126.

Routing. Return this form to: Contract Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the MCP to our covered employees, and will ensure that our subcontractors also subject to the MCP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

______________________________ ____________________
Signature Date

____
Print Name

______________________________ ____________________
Company Name Phone

Attachment #14

HEALTH CARE ACCOUNTABILITY POLICY (HCAP) DECLARATION

What the Policy does. The Office of Community Investment and Infrastructure (OCII) (Successor Agency to the San Francisco Redevelopment Agency) adopted the San Francisco Health Care Accountability Policy (the "HCAP"), which became effective on September 25, 2001. The HCAP requires contractors and subcontractors that provide services to OCII, contractors and subcontractors that enter into leases with OCII, and parties providing services to tenants and sub-tenants on OCII property to choose between offering health plan benefits to their employees or making payments to OCII or directly to their employees.

Specifically, contractors can either: (1) offer the employee minimum standard health plan benefits approved by the OCII Commission; or (2) pay OCII $4.50 per hour for each hour the employee works on the covered contract or subcontract or on property covered by a lease (but not to exceed $180 in any week) and OCII will appropriate the money for staffing and other resources to provide medical care for the uninsured (rates and amounts effective July 1, 2015 and subject to annual change).

The OCII may require contractors to submit reports on the number of employees affected by the HCAP.

Effect on OCII contracting. For contracts and amendments signed on or after September 25, 2001, the HCAP will have the following effect:

- in each contract, the contractor will agree to abide by the HCAP and to provide its employees the minimum benefits the HCAP requires, and to require its subcontractors to do the same.
- if a contractor does not provide the HCAP's minimum benefits, OCII can award a contract to that contractor **only if** the contract is exempt under the HCAP, or if the contract has received a waiver from OCII.

What this form does. Your signed declaration will help OCII's contracting practice. Sign this form if you can assure OCII that, beginning with the first OCII's contract or amendment you receive after September 25, 2001 and until further notice, you will provide the minimum benefit levels specified in the HCAP to your covered employees, and will ensure that your subcontractors also subject to the HCAP do the same.

If you cannot make this assurance now, please do not return this form.

For more information, please see the complete text of the HCAP, available from the OCII's Contract Compliance Department at: (415) 749-2400.

Routing. Return this form to: Contact Compliance Department, Office of Community Investment and Infrastructure (Successor to the San Francisco Redevelopment Agency), 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103.

Declaration

Effective with the first OCII contract or amendment this company receives on or after September 25, 2001, this company will provide the minimum benefit levels specified in the HCAP to our covered employees, and will ensure that our subcontractors also subject to the HCAP do the same, until further notice. This company will give such notice as soon as possible.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

______________________________	______________________________
Signature	Date
______________________________	
Print Name	
______________________________	______________________________
Company Name	Phone

Attachment #15: PREVAILING WAGE PROVISIONS
(LABOR STANDARDS)

11.1 **Applicability**. These Prevailing Wage Provisions (hereinafter referred to as "Labor Standards") apply to any and all construction of the Improvements as defined in the Agreement between the Borrower and the Office of Community Investment and Infrastructure (OCII) "Successor Agency" of which this Exhibit H and these Labor Standards are a part.

11.2 **All Contracts and Subcontracts shall contain the Labor Standards. Confirmation by Construction Lender**.

(a) All specifications relating to the construction of the Improvements shall contain these Labor Standards and the Borrower shall have the responsibility to assure that all contracts and subcontracts, regardless of tier, incorporate by reference the specifications containing these Labor Standards. If for any reason said Labor Standards are not included, the Labor Standards shall nevertheless apply. The Borrower shall supply the Agency with true copies of each contract relating to the construction of the Improvements showing the specifications that contain these Labor Standards promptly after due and complete execution thereof and before any work under such contract commences. Failure to do shall be a violation of these Labor Standards.

(b) Before close of escrow under the Agreement and as a condition to close of escrow, the Borrower shall also supply a written confirmation to the Agency from any construction lender for the Improvements that such construction lender is aware of these Labor Standards.

11.3 **Definitions**. The following definitions shall apply for purposes of this Exhibit H:

(a) "Contractor" is the Borrower if permitted by law to act as a contractor, the general contractor, and any contractor as well as any subcontractor of any tier subcontractor having a contract or subcontract that exceeds $10,000, and who employs Laborers, Mechanics, working foremen, and security guards to perform the construction on all or any part of the Improvements.

(b) "Laborers" and "Mechanics" are all persons providing labor to perform the construction, including working foremen and security guards.

(c) "Working foreman" is a person who, in addition to performing supervisory duties, performs the work of a Laborer or Mechanic during at least 20 percent of the work week.

11.4 **Prevailing Wage**.

(a) All Laborers and Mechanics employed in the construction of the Improvements will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by §11.5) the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at the time of payment computed at rates not less than those contained in the General Prevailing Wage Determination (hereinafter referred to as the "Wage Determination") made by the Director of Industrial Relations pursuant to California Labor Code Part 7, Chapter 1, Article 2, sections 1770, 1773 and 1773.1, regardless of any contractual relationship which may be alleged to exist between the Contractor and such Laborers and Mechanics. A copy of the applicable Wage Determination is on file in the offices of the Agency with the Development Services Manager. At the time of escrow closing the Agency shall provide the Borrower with a copy of the applicable Wage Determination.

(b) All Laborers and Mechanics shall be paid the appropriate wage rate and fringe benefits for the classification of work actually performed, without regard to skill. Laborers or Mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein provided that the Contractor's payroll records accurately set forth the time spent in each classification in which work is performed.

(c) Whenever the wage rate prescribed in the Wage Determination for a class of Laborers or Mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit in the manner as stated therein i.e. the vacation plan, the health benefit program, the pension plan and the apprenticeship program, or shall pay an hourly cash equivalent thereof.

(d) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any Laborer or Mechanic the amount of any costs reasonably anticipated in providing benefits under a plan or program of a type expressly listed in the Wage Determination, provided that the Executive Director of the Agency has found, upon the written request of the Contractor, made through the Borrower that the intent of the Labor Standards has been met. Records of such costs shall be maintained in the manner set forth in subsection (a) of §11.8. The Executive Director of the Agency may require the Borrower to set aside in a separate interest bearing account with a member of the Federal Deposit Insurance Corporation, assets for the meeting of obligations under the plan or program referred to above in subsection (b) of this §11.4. The interest shall be accumulated and shall be paid as determined by the Agency acting at its sole discretion.

(e) Regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

11.5 **Permissible Payroll Deductions**. The following payroll deductions are permissible deductions. Any others require the approval of the Agency's Executive Director.

(a) Any withholding made in compliance with the requirements of Federal, State or local income tax laws, and the Federal social security tax.

(b) Any repayment of sums previously advanced to the employee as a bona fide prepayment of wages when such prepayment is made without discount or interest. A "bona fide prepayment of wages" is considered to have been made only when case or its equivalent has been advanced to the employee in such manner as to give him or her complete freedom of disposition of the advanced funds.

(c) Any garnishment, unless it is in favor of the Contractor (or any affiliated person or entity), or when collusion or collaboration exists.

(d) Any contribution on behalf of the employee, to funds established by the Contractor, representatives of employees or both, for the purpose of providing from principal, income or both, medical or hospital care, pensions or annuities on retirement, death benefits, compensation for injuries, illness, accidents, sickness or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts or similar payments for the benefit of employees, their families and dependents provided, however, that the following standards are met:

1. The deduction is not otherwise prohibited by law; and

2. It is either:

    a. Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for obtaining or for the continuation of employment, or

    b. Provided for in a bona fide collective bargaining agreement between the Contractor and representatives of its employees; and

3. No profit or other benefit is otherwise obtained, directly or indirectly, by the Contractor (or any affiliated person or entity) in the form of commission, dividend or otherwise; and

4. The deduction shall serve the convenience and interest of the employee.

(e) Any authorized purchase of United States Savings Bonds for the employee.

(f) Any voluntarily authorized repayment of loans from or the purchase of shares in credit unions organized and operated in accordance with Federal and State credit union statutes.

(g) Any contribution voluntarily authorized by the employee for the American Red Cross, United Way and similar charitable organizations.

(h) Any payment of regular union initiation fees and membership dues, but not including fines or special assessments provided, that a collective bargaining agreement between the Contractor and representatives of its employees provides for such payment and the deductions are not otherwise prohibited by law.

11.6 **Apprentices and Trainees**. Apprentices and trainees will be permitted to work at less than the Mechanic's rate for the work they perform when they are employed pursuant to and are individually registered in an apprenticeship or trainee program approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training ("BAT") or with the California Department of Industrial Relations, Division of Apprenticeship Standards ("DAS") or if a person is employed in his or her first 90 days of probationary employment as an apprentice or trainee in such a program, who is not individually registered in the program, but who has been certified by BAT or DAS to be eligible for probationary employment. Any employee listed on a payroll at an apprentice or trainee wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate for a Mechanic. Every apprentice or trainee must be paid at not less than the rate specified in the registered program for the employee's level of progress, expressed as a percentage of a Mechanic's hourly rate as specified in the Wage Determination. Apprentices or trainees shall be paid fringe benefits in accordance with the provisions of the respective program. If the program does not specify fringe benefits, employees must be paid the full amount of fringe benefits listed in the Wage Determination.

11.7 **Overtime**. No Contractor contracting for any part of the construction of the Improvements which may require or involve the employment of Laborers or Mechanics shall require or permit any such Laborer or Mechanic in any workweek in which he or she is employed on such construction to work in excess of eight hours in any calendar day or in excess of 40 hours in such workweek unless such Laborer or Mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, whichever is greater.

11.8 **Payrolls and Basic Records**.

(a) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of its construction of the Improvements and preserved for a period of one year thereafter for all Laborers and Mechanics it employed in the construction of the Improvements. Such records shall contain the name, address and social security number of each employee, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for fringe benefits or cash equivalents thereof), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the wages of any Laborer or Mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program, the Contractor shall maintain records which show the costs anticipated or the actual costs incurred in providing such benefits and that the plan or program has been communicated in writing to the Laborers or Mechanics affected. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage prescribed in the applicable programs or the Wage Determination.

(b) 1. The Contractor shall submit to the Agency on each Wednesday at noon a copy of the payrolls for the week preceding the previous week in which any construction of the Improvements was performed. The payrolls submitted shall set out accurately and completely all of the information required by the Agency's Optional Form, an initial supply of which may be obtained from the Agency. The Contractor if a prime contractor or the Borrower acting as the Contractor is responsible for the submission of copies of certified payrolls by all subcontractors; otherwise each Contractor shall timely submit such payrolls.

(c) 2. Each weekly payroll shall be accompanied by the Statement of Compliance that accompanies the Agency's Optional Form and properly executed by the Contractor or his or her agent, who pays or supervises the payment of the employees.

(d) The Contractor shall make the records required under this §11.8 available for inspection or copying by authorized representatives of the Agency, and shall permit such representatives to interview employees during working hours on the job. On request the Executive Director of the Agency shall advise the Contractor of the identity of such authorized representatives.

11.9 **<u>Occupational Safety and Health</u>**. No Laborer or Mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his or her safety and health as determined under construction safety and health standards promulgated by Cal-OSHA or if Cal-OSHA is terminated, then by the federal OSHA.

11.10 **<u>Equal Opportunity Program</u>**. The utilization of apprentices, trainees, Laborers and Mechanics under this part shall be in conformity with the equal opportunity program set forth in Exhibit I of the Agreement including Schedules A and B. Any conflicts between the language contained in these Labor Standards and Exhibit I shall be resolved in favor of the language set forth in Exhibit I, except that in no event shall less than the prevailing wage be paid.

11.11 **<u>Nondiscrimination Against Employees for Complaints</u>**. No Laborer or Mechanic to whom the wage, salary or other Labor Standards of this Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to these Labor Standards.

11.12 **<u>Posting of Notice to Employees</u>**. A copy of the Wage Determination referred to in subsection (a) of §11.4 together with a copy of a "Notice to Employees," in the form appearing on the last page of these Labor Standards, shall be given to the Borrower at the close of escrow. The Notice to Employees and the Wage Determination shall both be posted and maintained by the Contractor in a prominent place readily accessible to all applicants and employees performing construction of the Improvements before construction commences. If such Notice and Wage Determination is not so posted or maintained, the Agency may do so.

11.13 **<u>Violation and Remedies</u>**.

(a) <u>Liability to Employee for Unpaid Wages</u>. The Contractor shall be liable to the employee for unpaid wages, overtime wages and benefits in violation of these Labor Standards.

(b) Stop Work--Contract Terms, Records and Payrolls. If there is a violation of these Labor Standards by reason of the failure of any contract or subcontract for the construction of the Improvements to contain the Labor Standards as required by §11.2 ("Non-Conforming Contract"); or by reason of any failure to submit the payrolls or make records available as required by §11.8 ("Non-Complying Contractor"), the Executive Director of the Agency may, after written notice to the Borrower with a copy to the Contractor involved and failure to cure the violation within five working days after the date of such notice, stop the construction work under the Non-Conforming Contract or of the Non-Complying Contractor until the Non-Conforming Contract or the Non-Complying Contractor comes into compliance.

(c) Stop Work and Other Violations. For any violation of these Labor Standards the Executive Director of the Agency may give written notice to the Borrower, with a copy to the Contractor involved, which notice shall state the claimed violation and the amount of money, if any, involved in the violation. Within five working days from the date of said notice, the Borrower shall advise the Agency in writing whether or not the violation is disputed by the Contractor and a statement of reasons in support of such dispute (the "Notice of Dispute"). In addition to the foregoing, the Borrower, upon receipt of the notice of claimed violation from the Agency, shall with respect to any amount stated in the Agency notice withhold payment to the Contractor of the amount stated multiplied by 45 working days and shall with the Notice of Dispute, also advise the Agency that the moneys are being or will be withheld. If the Borrower fails to timely give a Notice of Dispute to the Agency or to advise of the withhold, then the Executive Director of the Agency may stop the construction of the Improvements under the applicable contract or by the involved Contractor until such Notice of Dispute and written withhold advice has been received.

(d) Upon receipt of the Notice of Dispute and withhold advice, any stop work which the Executive Director has ordered shall be lifted, but the Borrower shall continue to withhold the moneys until the dispute has been resolved either by agreement, or failing agreement, by arbitration as is provided in §11.14.

(e) Withholding Certificates of Completion. The Agency may withhold any or all certificates of completion of the Improvements provided for in this Agreement, for any violations of these Labor Standards until such violation has been cured.

(f) General Remedies. In addition to all of the rights and remedies herein contained, but subject to arbitration, except as hereinafter provided, the Agency shall have all rights in law or equity to enforce these Labor Standards including, but not limited to, a prohibitory or mandatory injunction. Provided, however, the stop work remedy of the Agency provided above in subsection (b) and (c) is not subject to arbitration.

11.14 Arbitration of Disputes.

(a) Any dispute regarding these Labor Standards shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further provisions thereof.

(b) The Agency and all persons or entities who have a contractual relationship affected by the dispute shall be made a party to the arbitration. Any such person or entity not made a party in the demand for arbitration may intervene as a party and in turn may name any such person or entity as a party.

(c) The arbitration shall take place in the City and County of San Francisco.

(d) Arbitration may be demanded by the Agency, the Borrower or the Contractor.

(e) With the demand for arbitration, there must be enclosed a copy of these Labor Standards, and a copy of the demand must be mailed to the Agency and the Borrower, or as appropriate to one or the other if the Borrower or the Agency is demanding arbitration. If the demand does not include the Labor Standards they are nevertheless deemed a part of the demand. With the demand if made by the Agency or within a reasonable time thereafter if not made by the Agency, the Agency shall transmit to the AAA a copy of the Wage Determination (referred to in §11.4) and copies of all notices sent or received by the Agency pursuant to §11.13. Such material shall be made part of the arbitration record.

(f) One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators of the AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the parties fail to select an arbitrator, within seven (7) days from the receipt of the panel, the AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within 30 days from appointment.

(g) Any party to the arbitration whether the party participates in the arbitration or not shall be bound by the decision of the arbitrator whose decision shall be final and binding on all of the parties and any and all rights of appeal from the decision are waived except a claim that the arbitrator's decision violates an applicable statute or regulation. The decision of the arbitrator shall be rendered on or before 30 days from appointment. The arbitrator shall schedule hearings as necessary to meet this 30 day decision requirement and the parties to the arbitration, whether they appear or not, shall be bound by such scheduling.

(h) Any party to the arbitration may take any and all steps permitted by law to enforce the arbitrator's decision and if the arbitrator's decision requires the payment of money the Contractor shall make the required payments and the Borrower shall pay the Contractor from money withheld.

(i) Costs and Expenses. Each party shall bear its own costs and expenses of the arbitration and the costs of the arbitration shall be shared equally among the parties.

11.15 **Non-liability of the Agency**. The Borrower and each Contractor acknowledge and agree that the procedures hereinafter set forth for dealing with violations of these Labor Standards are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids for the construction of the Improvements, in determining the time for commencement and completion of construction and in proceeding with construction work. Accordingly the Borrower, and any Contractor, by proceeding with construction expressly waives and is deemed to have waived any and all claims against the Agency for damages, direct or indirect, arising out of these Labor Standards and their enforcement and including but not limited to claims relative to stop work orders, and the commencement, continuance or completion of construction.

Office of Community Investment and Infrastructure

N O T I C E   T O   E M P L O Y E E S

EQUAL OPPORTUNITY NON-DISCRIMI-NATION	The contractor must take equal opportunity steps to provide employment opportunities to minority group persons and women and shall not discriminate on the basis of age, ancestry, color, creed, disability, gender, national origin, race, religion or sexual orientation.
PREVAILING WAGE	You shall not be paid less than the wage rate attached to this Notice for the kind of work you perform.
OVERTIME	You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 8 a day or 40 a week, whichever is greater.
APPRENTICES	Apprentice rates apply only to employees registered under an apprenticeship or trainee program approved by the Bureau of Apprenticeship and Training or the California Division of Apprenticeship Standards.
PROPER PAY	If you do not receive proper pay, write the Office of Community Investment and Infrastructure, OCII 1 South Van Ness Ave. 5th Floor San Francisco, CA 94103 or call **749-2546** and ask for **Mr. George Bridges** Contract Compliance Specialist

Attachment #16: Permanent Work Force Agreement

I. **<u>PURPOSE</u>.** The purposes of the Office of Community Investment and Infrastructure (the "Agency") and the Developer/Affordable Developer in entering into this Permanent Work Force Agreement are to ensure:

A. that San Francisco residents obtain ***<u>50 percent</u>*** of the permanent jobs in the work forces of the Owner and tenants at the Site.

B. that San Francisco residents are given first consideration for employment by the Owner and tenants for permanent employment at the Site.

II. **<u>APPLICATION OF THIS SCHEDULE TO TENANTS</u>.** The Developer shall include verbatim in its leases and require the incorporation verbatim in all subleases for space in the Site the provisions of this Permanent Work Force Agreement. The lease shall make the incorporated provisions binding on and enforceable by the Agency against the tenant to the same extent as these provisions are binding on and enforceable against the Developer; except that:

A. Unless agreed otherwise by the Agency, a tenant with ***<u>26 or more</u>*** employees shall submit its workforce plan through the Developer to the Agency not later than 90 days prior to hiring any permanent employees to work on the tenant's premises; rather than pursuant to the requirements set forth in Section V.B.

B. A tenant with 25 or less employees shall not be required to submit an workforce plan pursuant to Section IV, but instead shall undertake and document in writing the good faith efforts it made to meet the goals and first consideration in employment requirements set forth in Section III. The Agency's Contract Compliance Department shall determine if such a tenant has exercised good faith efforts.

C. A tenant with less than 25 employees shall submit to the Agency the reports required by Section VII of not later than 60 days after it opens for business and annually thereafter.

III. **<u>GOALS AND OBJECTIVES</u>.**

A. make good faith efforts to employ 50 percent of its work force at the Site in each job category from residents of the City and County of San Francisco.

B. as provided in Section IV.B.1, give first consideration for employment at the Site to residents of San Francisco.

IV. **<u>PERMANENT WORKFORCE PLAN</u>.**

A. The Developer and each tenant with more than 26 employees, whether or not it is a federal contractor, shall prepare and adopt a plan for its permanent work force at the Site.

B. The workforce plan shall contain the following:

1. Detailed procedures for ensuring that San Francisco residents who are equally or more qualified than other candidates obtain first consideration for employment. These procedures shall include specific recruiting, screening and hiring procedures (e.g., phased hiring) which ensure that qualified residents receive

offers of employment prior to other equally or less qualified candidates. If a candidate(s) who is entitled to first consideration is not selected for the position, the Developer or tenant shall have the burden of establishing to the Agency and the arbitrator (if the matter is taken to arbitration), that the candidate who was selected was better qualified for the position than the candidate(s) who was entitled to first consideration.

2. Where it is a reasonable expectation that 10 percent or more of the employees in any job category will regularly work less than 35 hours per week, detailed procedures for ensuring that minority group persons, women, and San Francisco residents do not receive a disproportionate share of the part time work.

3. An agreement that not more than 15 percent of the positions in any job category will be filled by persons transferred from other facilities operated by the Developer, without the prior approval of the Agency. The Agency shall grant approval upon a showing that transfers in excess of 15 percent do not unreasonably interfere with the objective of creating new jobs for San Francisco residents and that such transfers further legitimate business needs of the Owner. Transfers shall be counted in determining if the Developer has met the employment goals for each ethnic group and women.

4. Where required by the Agency, detailed procedures for utilizing Outreach Organizations as meaningful referral sources for job applicants.

V. ARBITRATION OF DISPUTES.

Arbitration by **AAA**. Any dispute regarding this Permanent Work Force Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

Demand for Arbitration. Where the Owner disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Owner shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Owner fails to file a timely Demand for Arbitration, the Owner shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

Parties' Participation. The Agency and all persons or entities that have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Owner made an initial timely Demand for Arbitration pursuant to Section V.B. above.

Agency Request to AAA. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

Selection of Arbitrator. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

Setting of Arbitration Hearing. A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

Discovery. In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

Burden of Proof. The burden of proof with respect to Permanent Work Force compliance and/or Good Faith Efforts shall be on the Owner. The burden of proof as to all other alleged breaches by the Owner shall be on the Agency.

California Law Applies. Except where expressly stated to the contrary in this Permanent Work Force Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

Arbitration Remedies and Sanctions. The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Owner or this Permanent Work Force Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Owner or this Permanent Work Force Agreement, other than those minor modifications or extensions necessary to enable compliance with this Permanent Work Force Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the Agency's Work Force policy requirements. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this Permanent Work Force Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

Arbitrator's Decision. The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

Default Award; No Requirement to Seek an Order Compelling Arbitration. The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

Arbitrator Lacks Power to Modify. Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of this Permanent Work Force Agreement or any other agreement between the Agency and Owner or to negotiate new agreements or provisions between the parties.

Jurisdiction/Entry of Judgment. The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

Exculpatory Clause. Owner expressly waives any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Owner acknowledges and agrees that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this Permanent Work Force Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

Severability. The provisions of this Permanent Work Force Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Permanent Work Force Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Permanent Work Force Agreement or the validity of their application to other persons or circumstances.

Arbitration Notice: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

_______________________________ _______________________________

Agency Owner

VII. REPORTS.

A. The Owner and each tenant shall prepare, for its Site work force, reports for each job category which show by race, gender, residence (including if in the Western Addition Redevelopment Project Area A-2), and, where required by the Agency, by transfer/non-transfer and referral source:

1. Current work force composition;

2. applicants;

3. job offers;

4. hires;

5. rejections;

6. pending applications;

7. promotions and demotions; and

8. employees working, on average, less than 35 hours per week.

B. The reports shall be submitted quarterly to the Agency, unless otherwise required by the Agency. In this regard the Owner and each tenant agrees that if a significant number of positions are to be filled during a given period or other circumstances warrant, the Agency may require daily, weekly or monthly reports containing all or some of the above information. The Owner and each tenant further agrees that the above reports may not be sufficient for monitoring the Owner's or tenant's performance in all circumstances, that they will negotiate in good faith concerning additional reports, and that the arbitrator shall have authority to require additional reports if the parties cannot agree.

VIII. TERM. The obligations of the Owner and its tenants with respect to their permanent work forces as set forth in the DDA, and this Permanent Work Force Agreement, shall arise from the date the Owner or its tenants first assigns employees to the Site on a permanent basis and remain in effect for three years thereafter.

I, hereby certify that I have authority to execute this Permanent Work Force Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's Permanent Work Force participation goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

______________________________	______________________________
Signature	Date
______________________________	______________________________
Print Your Name	Title

____

Company Name and Phone Number

Attachment #17: Construction Work Force Agreement

I. **PURPOSE.** The purpose of the Office of Community Investment and Infrastructure (the "Agency") and the Developer/Affordable Developer entering into this Construction Work Force Agreement is to ensure participation of San Francisco residents and equal employment opportunities for minority group persons and women in the construction work force involved in constructing any of the phases upon the Site covered by the DDA.

II. **WORK FORCE GOALS.**

A. The goal set forth below is expressed as a percentage of each Contractor's total hours of employment and training by trade on the Site. The goal represents the level of San Francisco resident participation each Contractor should reasonably be able to achieve in each construction trade in which it has employees on the Site. The Owner agrees, and will require each Contractor (regardless of tier), to use its good faith efforts to employ San Francisco residents to perform construction work upon the Site at a level at least consistent with said goals.

B. Goal: ***50 percent*** participation of San Francisco residents in the total hours worked in the trade.

C. Amendments to the goals shall be prospective and go into effect 20 days after the Agency mails written notice of the amendments to the Developer/Affordable Developer. New goals shall not be applied retroactively.

D. Although paragraph B establishes a single goal for participation of San Francisco residents, each Contractor is required to provide equal employment opportunity and to take equal opportunity for all ethnic groups, both male and female, and all women, both minority and non-minority. Consequently, a Contractor may be in violation of this Construction Work Force Agreement if a particular ethnic group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goal for participation of San Francisco residents, the Contractor may be in violation if a specific ethnic group is underutilized.) If the Agency determines, after affording a Contractor notice and an opportunity to be heard, that the Contractor has violated its obligations under this paragraph, the Agency may set, for that Contractor, work force participation goals by particular ethnic group, e.g., Blacks, Latinos, etc.

E. Each Contractor is individually required to comply with its obligations under this Construction Work Force Agreement, and to make a good faith effort to achieve each goal in each trade in which it has employees employed at the Site. (See Section IV below.) The overall good faith performance by other contractors or subcontractors toward a goal does not excuse any covered Contractor's failure to make good faith efforts to achieve the goals.

F. The Contractor shall not use the goals or equal opportunity standards to discriminate against any person because of age, ancestry, color, creed, disability, gender, national origin, race, religion or sexual orientation.

G. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Unless otherwise permitted by law, trainees must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training ("BAT") or the California Department of Industrial Relations, Division of Apprenticeship Standards ("DAS").

III. **INCORPORATION.** Whenever the Owner, the general contractor, any prime contractor, or any subcontractor at any tier subcontracts a portion of the work on the Site involving any construction trade, it shall set forth verbatim and make binding on each subcontractor which has a contract in excess of $10,000 the provisions of this Construction Work Force Agreement, including the applicable goals for San Francisco resident participation in each trade.

IV. **EQUAL OPPORTUNITY REQUIREMENTS.**

A. Each Contractor shall take specific equal opportunities to ensure equal employment opportunity ("EEO"). The evaluation of the Contractor's compliance with this Construction Work Force Agreement shall be based upon its good faith efforts to achieve maximum results from its actions. Each Contractor shall document these efforts fully, and shall implement equal opportunity steps at least as extensive as the following:

1. Ensure and maintain a working environment free of harassment, intimidation, and coercion at the Site. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment.

2. Provide written notification to CityBuild when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

3. Maintain a current file of the names, addresses and telephone numbers of each resident applicant and each resident referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union, or if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.

4. Provide immediate written notification to the Agency when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a resident sent or requested by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

5. Develop on-the-job training opportunities and/or participate in training programs, including apprenticeship, trainee and upgrading programs relevant to the Contractor's employment needs, especially those funded or approved by BAT or DAS. The Contractor shall provide notice of these programs to the sources compiled under Section IV.A.2 above.

6. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at the Site.

7. Review, prior to beginning work at the Site and at least annually thereafter, the Contractor's EEO policy and equal opportunity obligations under the DDA and this Construction Work Force Agreement with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as superintendents, general foremen, etc. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed and disposition of the subject matter. The Agency's contract compliance staff shall be invited to attend the meeting held prior to the beginning of work at the Site.

8. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other contractors and subcontractors with whom the Contractor does or anticipates doing business.

9. Direct its recruitment efforts, both oral and written, to local minority group, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

10. Encourage present minority and female employees to recruit other minority group persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the Site and in other areas of a Contractor's work force.

11. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

12. Conduct, at least annually, an inventory and evaluation of San Francisco resident personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training etc., such opportunities.

13. Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations hereunder are being carried out.

14. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the genders.

15. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and equal opportunity obligations.

B. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their equal opportunity obligations under Section IV.A.1 through 15. The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under Section IV.A.1 through 15 provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minority group persons and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female work force composition, makes a good faith effort to meet its individual goals, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

V. <u>ADDITIONAL PROVISIONS.</u>

A. The failure by a union with which the Contractor has a collective bargaining agreement, to refer San Francisco residents shall not excuse the Contractor's obligations under this Construction Work Force Agreement.

B. A Contractor shall not enter into any subcontract with any person or firm that the Contractor knows or should have known is debarred from government contracts pursuant to Executive Order 11246.

C. No employee to whom the equal opportunity provisions of this Construction Work Force Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or relating to Attachment 9 of the DDA or this Schedule.

D. Each Contractor shall designate a responsible official to monitor all employment-related activity to ensure that the Contractor's EEO policy is being carried out.

VI. <u>DOCUMENTATION AND RECORDS.</u>

A. <u>Submission of electronic certified payrolls</u>. Each Contractor shall submit through the General Contractor to the Agency by noon on each Wednesday a report providing the information contained in the Agency's Optional Form of payroll report for the week preceding the previous week on each of its employees. Each prime contractor is responsible for the submission of this report by each of its subcontractors.

B. Each Contractor shall submit through the General Contractor to the Agency by noon on each Wednesday a payroll report for the week preceding the previous week on each of its employees. Each prime contractor is responsible for the submission of this report by each of its subcontractors and for certifying its accuracy.

C. No monthly progress payments will be processed until Contractor has submitted weekly certified payrolls to the Agency for the applicable time period. Certified payrolls shall be prepared pursuant to this SBE Policy for the period involved for all employees, including those of subcontractors of all tiers, for all labor incorporated into the work.

D. Contractor shall submit certified payrolls to the Agency electronically via the Project Reporting System ("PRS") selected by the Agency, an Internet-based system accessible on the World Wide Web through a web browser. The Contractor and each Subcontractor and Supplier must register with PRS and be assigned a log-on identification and password to access the PRS.

E. Use of the PRS may require Contractor, Subcontractors and Suppliers to enter additional data relating to weekly payroll information including, but not limited to, employee identification, labor classification, total hours worked and hours worked on this project, and wage and benefit rates paid. Contractor's payroll and accounting software may be capable of generating a "comma delimited file" that will interface with the PRS software.

F. For each Agency-Assisted project, the Agency will provide basic training in the use of the PRS at a scheduled training session. Contractor and all Subcontractors and Suppliers and/or their designated representatives must attend the PRS training session.

G. Contractor shall comply with the requirements of this Article VI at no additional cost to the Agency or the Owner.

H. The Agency will not be liable for interest, charges or costs arising out of or relating to any delay in making progress payments due to Contractor's failure to make a timely and accurate submittal of weekly certified payrolls.

I. In addition to the above, Contractor shall comply with the requirements of California Labor Code Section 1776, or as amended from time to time, regarding the keeping, filing and furnishing of certified copies of payroll records of wages paid to its employees and to the employees of its Subcontractors of all tiers.

J. The Contractor shall make the payroll records available to for inspection at all reasonable hours at the job site office of Contractor.

K. Contractor is solely responsible for compliance with Labor Code Section 1776 or this SBE Policy. The Agency shall not be liable for Contractor's failure to make timely or accurate submittals of certified payrolls.

VII. ARBITRATION OF DISPUTES.

A. **Arbitration** by **AAA**. Any dispute regarding this Construction Work Force Agreement shall be determined by arbitration through the American Arbitration Association, San Francisco, California office ("AAA") in accordance with the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. The arbitration shall take place in the City and County of San Francisco.

B. **Demand for Arbitration**. Where the Owner disagrees with the Agency's Notice of Non-Qualification or Notice of Non-Compliance, **the Owner shall have seven (7) business days, in which to file a Demand for Arbitration,** unless otherwise stipulated by the parties. The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying entities believed to be involved in the dispute; (2) a copy of the Notice of Non-Qualification or Notice of Non-Compliance; and (3) any written response to the Notice of Non-Qualification or Notice of Non-Compliance. If the Owner fails to file a timely Demand for Arbitration, the Owner shall be deemed to have accepted and to be bound by the finding of Non-Qualification or the findings and recommendations contained in the Notice of Non-Compliance.

C. **Parties' Participation**. The Agency and all persons or entities that have a contractual relationship affected by the dispute shall be made an Arbitration Party. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration

Party and in turn may name any other such person or entity as an Arbitration Party, provided however, that the Owner made an initial timely Demand for Arbitration pursuant to Section V.B. above.

D. **Agency Request to AAA**. Within seven (7) business days after service of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration, the Notice of Non-Qualification or Notice of Non-Compliance, and any written response thereto from the affected party. Such material shall be made part of the arbitration record.

E. **Selection of Arbitrator**. One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the parties to the arbitration in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be that person's agreement to render a decision within ninety (90) days from the arbitrator's fulfillment of the disclosure requirements set forth in California Code of Civil Procedure Section 1281.9.

F. **Setting of Arbitration Hearing.** A hearing shall be held within ninety (90) days of the date of the filing of the Request, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

G. **Discovery.** In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05.

H. **Burden of Proof**. The burden of proof with respect to Construction Work Force compliance and/or Good Faith Efforts shall be on the Owner. The burden of proof as to all other alleged breaches by the Owner shall be on the Agency.

I. **California Law Applies.** Except where expressly stated to the contrary in this Construction Work Force Agreement, California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings.

J. **Arbitration Remedies and Sanctions.** The arbitrator may impose only the remedies and sanctions set forth below:

1. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance.

2. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Owner or this Construction Work Force Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Owner or this Construction Work Force Agreement, other than those minor modifications or extensions necessary to enable compliance with this Construction Work Force Agreement.

3. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any party to the arbitration to comply with any of the Agency's Work Force policy requirements. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

4. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of this Construction Work Force Agreement unless the breaching party has failed to cure after being provided notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

5. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

K. **Arbitrator's Decision.** The arbitrator shall make his or her award within twenty (20) days after the date that the hearing is completed; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

L. **Default Award; No Requirement to Seek an Order Compelling Arbitration.** The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) said person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

M. **Arbitrator Lacks Power to Modify.** Except as otherwise provided, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of this Construction Work Force Agreement or any other agreement between the Agency and Owner or to negotiate new agreements or provisions between the parties.

N. **Jurisdiction/Entry of Judgment.** The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The non-prevailing Arbitration Party(ies) shall pay the arbitrator's fees and related costs of arbitration (or reimburse the Arbitration Parties that advanced such arbitration fees and costs). Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

O. **Exculpatory Clause.** Owner expressly waives any and all claims against the Agency for damages, direct or indirect, including, without limitation, claims relative to the commencement, continuance and completion of construction and/or providing professional and consulting services ("the Work"). Owner acknowledges and agrees that the procedures set forth herein for dealing with alleged breaches or failure to comply with the obligations and requirements of this Construction Work Force Agreement are reasonable and have been anticipated by the parties in securing financing, in inviting, submitting and receiving bids and proposals for the planning, design and construction of the improvements and in determining the times for commencement and completion of the planning, design and construction and/or for providing consulting, professional or personal services.

P. **<u>Severability</u>**. The provisions of this Construction Work Force Agreement are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Construction Work Force Agreement or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this Construction Work Force Agreement or the validity of their application to other persons or circumstances.

Q. **<u>Arbitration Notice</u>:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

<u>WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.</u>

______________________________ Agency

______________________________ Owner

VIII. <u>PRECONSTRUCTION MEETING</u>.

A. Prior to the commencement of construction, the general contractor, any prime contractor, or any subcontractor at any tier shall attend a preconstruction meeting convened by the Agency and to which outreach organizations are invited to review the reporting requirements, the prospective construction work force composition and any problems that may be anticipated in meeting the construction work force goal.

B. Any subcontractor at any tier, who does not attend such a meeting shall not be permitted on the job site. The Agency shall convene additional preconstruction meetings within 24 hours of the Contractor's request. The Contractor shall endeavor to include as many prospective subcontractors as possible at these meetings in order not to protract unduly the number of meetings.

C. Failure to comply with this preconstruction meeting provision may result in the Agency ordering a suspension of work by the prime contractor and/or the subcontractor until the breach has been cured. Suspension under this provision is not subject to arbitration.

IX. <u>TERM.</u> **<u>The obligations of the Owner and the Contractors with respect to their construction work forces, as set forth in Attachment 9 of this DDA and this Construction Work Force Agreement, shall remain in effect until completion of all work to be performed by the Owner in connection with the construction of any of the phases.</u>**

I, hereby certify that I have authority to execute this Construction Work Force Agreement on behalf of the business, organization or entity listed below and that it will use good faith efforts to comply with the Agency's Construction Work Force participation goals. I declare under penalty of perjury under the laws of the State of California that the above statement is true and correct.

___________________________________ ________________________________
Signature Date

___________________________________ ________________________________
Print Your Name Title

____
Company Name and Phone Number

OWNER'S STATEMENT

WE, THE UNDERSIGNED OWNER ARE THE ONLY PARTY HAVING RECORD TITLE INTEREST NECESSARY TO CONSENT TO THE PREPARATION AND FILING OF THIS MAP COMPRISING FIVE (5) SHEETS. BY OUR SIGNATURES HERETO WE HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE.

WE HEREBY OFFER FOR DEDICATION TO THE CITY AND COUNTY OF SAN FRANCISCO A PUBLIC PEDESTRIAN ACCESS EASEMENT, A WATER LINE EASEMENT, AN EMERGENCY VEHICLE ACCESS EASEMENT AND AN EMERGENCY PUBLIC SERVICE EASEMENT OVER THE AREA SHOWN AS BLOCK 87 11 LOT 24, SUBJECT TO THE EASEMENT AGREEMENT. (SEE SHEET 2 NOTE 18).

WE HEREBY OFFER FOR DEDICATION TO THE CITY AND COUNTY OF SAN FRANCISCO A PUBLIC PEDESTRIAN ACCESS EASEMENT AND AN EMERGENCY PUBLIC SERVICE EASEMENT OVER THE AREA ON BLOCK 8711 LOT 13 AND LOT 14 DESIGNATED HEREON AS "20 FOOT WIDE EASEMENT AREA", SUBJECT TO THE EASEMENT AGREEMENT. (SEE SHEET 2 NOTE 18)

WE HEREBY OFFER FOR DEDICATION FOR PUBLIC USE TO THE CITY AND COUNTY OF SAN FRANCISCO BLOCKS 8711 LOT 15, 8711 LOT 16, 8711 LOT 18, 8711 LOT 19, 8711 LOT 22, 8711 LOT 27 AND 8711 LOT 30, DESIGNATED HEREON AS "STREET DEDICATION" FOR STREET AND ROADWAY PURPOSES INCLUDING THE PUBLIC UTILITIES TO BE LOCATED THEREIN AND THEREON.

OWNER: FOCIL-MB, LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: FARALLON CAPITAL MANAGEMENT, LLC,
A DELAWARE LIMITED LIABILITY COMPANY, ITS MANAGER

BY: ____________
NAME: Richard B Fried
TITLE: Managing Member

OWNER'S ACKNOWLEDGMENT

STATE OF CALIFORNIA
COUNTY OF San Francisco } SS

ON January 25, 2006 BEFORE ME, Hagen Lynn Stegall, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Richard B. Fried PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

[redacted]

SIGNED: Hagen Lynn Stegall
NOTARY PUBLIC, STATE OF CALIFORNIA (SEAL)

MY COMMISSION EXPIRES Aug. 27, 2009 COMMISSION NO. 1603014

Hagen Lynn Stegall — PRINTED NAME OF NOTARY
San Francisco — COUNTY OF MY PRINCIPAL PLACE OF BUSINESS

BENEFICIARY:

CF CAPITAL, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS BENEFICIARY.

BY: ____________ NAME: Ted Antenucci

TITLE: President - Global Development

BENEFICIARY'S ACKNOWLEDGMENT:

STATE OF COLORADO
COUNTY OF Adams } SS

ON January 19, 2006 BEFORE ME, Lauree Lee Gotthuso A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Ted Antenucci, President - Global Development PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNED: Lauree Lee Gotthuso
NOTARY PUBLIC, STATE OF COLORADO (SEAL)

MY COMMISSION EXPIRES 3-18-2009 COMMISSION NO. ____________

Lauree Lee Gotthuso — PRINTED NAME OF NOTARY
Denver — COUNTY OF MY PRINCIPAL PLACE OF BUSINESS

TAX STATEMENT

I, GLORIA L. YOUNG, CLERK OF THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DO HEREBY STATE THAT THE SUBDIVIDER HAS FILED A STATEMENT FROM THE CONTROLLER OF THE CITY AND COUNTY OF SAN FRANCISCO, SHOWING THAT ACCORDING TO THE RECORDS OF HIS OFFICE THERE ARE NO LIENS AGAINST THIS SUBDIVISION OR ANY PART THEREOF FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES, OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT AS TAXES OR SPECIAL ASSESSMENTS NOT YET PAYABLE WHICH ARE ESTIMATED TO BE —0—. I ALSO HEREBY STATE THAT A BOND IN THE AMOUNT FIXED BY SAID BOARD AND BY ITS TERMS MADE TO INURE TO THE BENEFIT OF THE CITY AND COUNTY OF SAN FRANCISCO, CONDITIONED FOR PAYMENT OF THE ABOVE TAXES OR SPECIAL ASSESSMENTS NOT YET PAYABLE, HAS BEEN FILED WITH AND APPROVED BY SAID BOARD.

DATED 21st DAY OF February 2006.

CLERK OF THE BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

CLERK'S STATEMENT

I, GLORIA L. YOUNG, CLERK OF THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, HEREBY STATE THAT SAID BOARD OF SUPERVISORS BY ITS MOTION NO. M06-23 ADOPTED February 14, 2006, APPROVED THIS MAP ENTITLED, "FINAL MAP TRACT NO. 3936 – FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES MISSION BAY (2–7 AND 13) BEING PHASE 1 OF PLANNED DEVELOPMENT FOR A MERGER AND SUBDIVISION FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES OF ASSESSOR'S BLOCK 8712 LOT 1 AND BLOCK 8713 LOT 1 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97–119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AND ASSESSOR'S BLOCK 8710 LOT 04 AND BLOCK 8711 LOT 12 AS SHOWN AND DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED ON DECEMBER 28, 2005 IN REEL J045 IMAGE 773, A PORTION OF FOURTH STREET (SV–49) VACATED BY ORDINANCE 0259–05, RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 005, AND A PORTION OF HUBBELL STREET (SV–21) VACATED BY ORDINANCE 328–98, RECORDED ON JULY 19, 1999 IN REEL H429 IMAGE 505, AND BOTH VACATIONS SUBSEQUENTLY CONVEYED TO FOCIL–MB, LLC BY DEED RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 006 IN THE OFFICE OF SAID RECORDER", COMPRISING FIVE (5) SHEETS AND ACCEPTS, SUBJECT TO IMPROVEMENTS, THE EASEMENTS FOR PUBLIC PEDESTRIAN ACCESS, WATER LINE, EMERGENCY VEHICLE ACCESS, AND EMERGENCY PUBLIC SERVICE PURPOSES OVER THE AREA SHOWN AS BLOCK 87 11 LOT 24, AND THE EASEMENTS FOR PUBLIC PEDESTRIAN ACCESS AND EMERGENCY PUBLIC SERVICE PURPOSES OVER THE AREA ON BLOCK 8711 LOT 13 AND LOT 14 DESIGNATED HEREON AS "20 FOOT WIDE EASEMENT AREA", AND BLOCKS 8711 LOT 15, 8711 LOT 16, 8711 LOT 18, 8711 LOT 19, 8711 LOT 22, 8711 LOT 27 AND 8711 LOT 30, DESIGNATED HEREON AS "STREET DEDICATION" FOR STREET AND ROADWAY PURPOSES.

IN TESTIMONY WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY HAND AND CAUSED THE SEAL OF THIS OFFICE TO BE AFFIXED.

BY: ____________ DATE: February 21, 2006
CLERK OF THE BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

NOTES

BASIS OF BEARINGS –
THE BEARING NORTH 03°10'56" WEST BETWEEN THE FOUND MONUMENTS ON THIRD STREET BETWEEN FOURTH STREET AND SIXTEENTH STREET AS SHOWN IN THE CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY" RECORDED ON MAY 31, 2005 IN BOOK BB OF MAPS AT PAGES 4–5 WAS TAKEN AND USED AS THE BASIS OF BEARINGS FOR THIS SURVEY.

DISTANCES AND DIMENSIONS SHOWN ON THIS MAP ARE MEASURED IN FEET AND DECIMALS THEREOF.

ALL ANGLES ARE 90° UNLESS OTHERWISE SHOWN.

RECORDER'S STATEMENT

FILED FOR RECORD THIS 22ND DAY OF FEBRUARY, 2006, AT 51 MINUTES PAST 9:00 A.M., IN BOOK BB OF MAPS, AT PAGES 54 THRU 58 INCLUSIVE OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AT THE REQUEST OF FREYER & LAURETA, INC.

BY: ____________ DATE: 02-22-06
COUNTY–RECORDER
CITY AND COUNTY OF SAN FRANCISCO
STATE OF CALIFORNIA

FILE NO. 060135 MOTION NO. M06-23

[FINAL MAP, PLANNED DEVELOPMENT, MISSION BAY]

Motion approving Final Map Tract No. 3936 for residential and commercial condominium purposes, Mission Bay Blocks 2-7 and 13, a twenty (20) lot subdivision, being Phase I of a Planned Development Subdivision of Assessor's Blocks 8710, Lot 4; 8711 Lot 12; 8712, Lot 1; 8713, Lot 1 and a portion of recently vacated Fourth Street; approving a public improvement agreement related to the final map; and adopting findings pursuant to the General Plan and City Planning Code Section 101.1 and the Mission Bay South Redevelopment Plan and Plan Documents.

MOVED, That the certain map entitled "FINAL MAP TRACT NO. 3936 FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES, MISSION BAY (2-7 AND 13), BEING PHASE 1 OF A PLANNED DEVELOPMENT FOR MERGER AND SUBDIVISION FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES OF ASSESSORS BLOCKS 8712 LOT 1 AND BLOCK 8713 LOT 1, AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97-119, RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AND ASSESSOR'S BLOCK 8710 LOT 04 AND BLOCK 8711 LOT 12 AS SHOWN AND DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED ON DECEMBER 28, 2005 IN REEL J045 IMAGE 0773, A PORTION OF FOURTH STREET (SV-49) VACATED BY ORDINANCE 0259-05, RECORDED ON February 2, 2006 IN REEL J069 IMAGE 0005, AND A PORTION OF HUBBELL STREET (SV-21) VACATED BY ORDINANCE 328-98, RECORDED ON JULY 19, 1999 IN REEL H429 IMAGE 505, AND BOTH VACATIONS SUBSEQUENTLY CONVEYED TO FOCIL-MB, LLC BY DEED RECORDED ON February 2, 2006 IN REEL J069 IMAGE 0006 IN THE OFFICE OF SAID RECORDER", comprising 5 sheets, approved February 2, 2006 by Department of Public Works Order No. 175,889 together with the Public Improvement Agreement for Mission Bay South Blocks 2 through 7 and 13, dated February 1, 2006 between the City and County of San Francisco and FOCIL – MB, LLC are hereby approved and said map is adopted as an Official Final Map of Mission Bay for Assessor's Blocks 8710, Lot 4; 8711 Lot 12; 8712, Lot 1; 8713, Lot 1 and a portion of recently vacated Fourth Street; and be it

FURTHER MOVED, That certain public improvements necessitated by the approval of the Final Map have not been completed at this time, therefore the City and the developer have entered into a Public Improvement Agreement for Mission Bay South Blocks 2 through 7 and 13, dated February 1, 2006, between the City and County of San Francisco and FOCIL-MB, LLC., a copy of which is in Clerk of the Board File No. 060135, and the Board hereby approves this agreement; and be it

FURTHER MOVED, That the San Francisco Board of Supervisors accepts, subject to improvements, the "PUBLIC PEDESTRIAN ACCESS EASEMENT, WATER LINE EASEMENT, EMERGENCY VEHICLE ACCESS EASEMENT AND EMERGENCY PUBLIC SERVICE EASEMENT OVER BLOCK 8711, LOT 24", "PUBLIC PEDESTRIAN ACCESS EASEMENT AND EMERGENCY PUBLIC SERVICE EASEMENT OVER THE AREA ON BLOCKS 8711, LOTS 13 AND 14, DESIGNATED AS "20 FOOT WIDE EASEMENT AREA", and "BLOCKS 8711, LOTS 15, 16, 18, 19, 22, 27 AND 30 FOR STREET AND ROADWAY PURPOSES" all offered for dedication on this Final Map.

FURTHER MOVED, That the San Francisco Board of Supervisors adopts as its own and incorporates by reference herein as though fully set forth the findings made by the City Planning Department, by its letters dated August 6, 2004, September 27, 2005 and January 13, 2006, that the proposed subdivision is consistent with the objectives and policies of the General Plan and the Eight Priority Policies of Section 101.1 of the Planning Code; and be it

FURTHER MOVED, That the San Francisco Board of Supervisors adopts as its own and incorporates by reference herein as though fully set forth the findings made by the San Francisco Redevelopment Agency, by its letters dated August 5, 2004 and January 13, 2006, that the proposed subdivision is consistent with the Mission Bay South Redevelopment Plan and Plan Documents (as such term is defined therein); and be it

FURTHER MOVED, That the San Francisco Board of Supervisors hereby authorizes the Director of the Department of Public Works to enter all necessary recording information on the Final Map and authorizes the Clerk of the Board of Supervisors to execute the Clerks statement as set forth herein; and be it

FURTHER MOVED, That approval of this map is also conditioned upon compliance by the subdivider with all applicable provisions of the Mission Bay Subdivision Code and amendments thereto.

RECOMMENDED:

Robert P. Beck
Acting Director of Public Works

DESCRIPTION APPROVED:

Bruce Storrs L.S. 6914
My License Expires September 30, 2007
County Surveyor
City and County of San Francisco

DEPARTMENT OF PUBLIC WORKS
BOARD OF SUPERVISORS

Page 3
2/02/2005

City and County of San Francisco
Tails
Motion

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 060135 **Date Passed:** February 14, 2006

Motion approving Final Map Tract No. 3936 for residential and commercial condominium purposes, Mission Bay Blocks 2-7 and 13, a twenty (20) lot subdivision, being Phase I of a Planned Development Subdivision of Assessor's Blocks 8710, Lot 4; 8711 Lot 12; 8712, Lot 1; 8713, Lot 1 and a portion of recently vacated Fourth Street; approving a public improvement agreement related to the final map; and adopting findings pursuant to the General Plan and City Planning Code Section 101.1 and the Mission Bay South Redevelopment Plan and Plan Documents.

February 14, 2006 Board of Supervisors — APPROVED
Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 060135

I hereby certify that the foregoing Motion was APPROVED on February 14, 2006 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

File No. 060135

City and County of San Francisco 2 *Printed at 11:06 AM on 2/15/06*
Tails Report

FINAL MAP
TRACT NO. 3936
FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES MISSION BAY (2–7 AND 13)

BEING PHASE 1 OF A PLANNED DEVELOPMENT FOR MERGER AND SUBDIVISION FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES OF ASSESSOR'S BLOCK 8712 LOT 1 AND BLOCK 8713 LOT 1 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97–119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AND ASSESSOR'S BLOCK 8710 LOT 04 AND BLOCK 8711 LOT 12 AS SHOWN AND DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED ON DECEMBER 28, 2005 IN REEL J045 IMAGE 773, A PORTION OF FOURTH STREET (SV–49) VACATED BY ORDINANCE 0259–05, RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 005, AND A PORTION OF HUBBELL STREET (SV–21) VACATED BY ORDINANCE 328–98, RECORDED ON JULY 19, 1999 IN REEL H429 IMAGE 505, AND BOTH VACATIONS SUBSEQUENTLY CONVEYED TO FOCIL–MB, LLC BY DEED RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 006 IN THE OFFICE OF SAID RECORDER

CITY AND COUNTY OF SAN FRANCISCO — CALIFORNIA

SCALE AS NOTED — JANUARY, 2006

Freyer & Laureta, Inc.
civil engineers · surveyors · construction managers
144 North San Mateo Drive · San Mateo, CA 94401

SHEET ONE OF FIVE SHEETS

COUNTY SURVEYOR'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP; THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAPS, AND ANY APPROVED ALTERATION THEREOF; THAT ALL PROVISIONS OF THE CALIFORNIA SUBDIVISION MAP ACT AND ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF THE APPROVAL OF THE TENTATIVE MAPS, HAVE BEEN COMPLIED WITH; AND THAT I AM SATISFIED THIS MAP IS TECHNICALLY CORRECT.

BRUCE STORRS CITY AND COUNTY SURVEYOR

BY: Bruce Storrs

BRUCE STORRS, LS 6914 DATE: JANUARY 31, 2006
LICENSE EXPIRES SEPTEMBER 30, 2007
CITY AND COUNTY OF SAN FRANCISCO

PROFESSIONAL LAND SURVEYOR BRUCE R. STORRS No. 6914 Exp. 9-30-07 STATE OF CALIFORNIA

ENGINEER'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY, MADE ON MARCH 5, 2005, IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF FOCIL-MB, LLC, A DELAWARE LIMITED LIABILITY COMPANY AND THAT SUCH SURVEY IS TRUE AND COMPLETE AS SHOWN HEREON. I HEREBY STATE THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR WILL BE SET IN THOSE POSITIONS INDICATED ON OR WITHIN THREE YEARS FROM RECORDATION OF THIS FINAL MAP AND THAT THE MONUMENTS WILL BE SUFFICIENT TO ENABLE THIS SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

BY: David C. Freyer DATE: 1-30-06

DAVID C. FREYER
R.C.E. NO. C-030060
LICENSE EXPIRES DECEMBER 31, 2007

REGISTERED PROFESSIONAL ENGINEER DAVID C. FREYER C-030060 Exp. 12/31/07 CIVIL STATE OF CALIFORNIA

CERTIFICATE OF IMPROVEMENT AGREEMENT

PURSUANT TO SECTION 1457 (a)(3) OF THE SUBDIVISION CODE OF THE CITY AND COUNTY OF SAN FRANCISCO FOR THE MISSION BAY PROJECT AREA, THIS CERTIFICATE EVIDENCES THAT A PUBLIC IMPROVEMENT AGREEMENT HAS BEEN EXECUTED ON 1st DAY OF February, 2006 BETWEEN FOCIL-MB, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AND THE CITY AND COUNTY OF SAN FRANCISCO.

BY: Robert P. Beck DATE: 2/1/06

ROBERT P. BECK
ACTING DIRECTOR OF PUBLIC WORKS
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

APPROVAL OF MULTIPLE FINAL MAPS

PURSUANT TO SECTION 1455.2 (b) AND 1457 (a)(4) OF THE SUBDIVISION CODE OF THE CITY AND COUNTY OF SAN FRANCISCO FOR THE MISSION BAY PROJECT AREA.

THIS MAP IS APPROVED THIS 1ST DAY OF FEBRUARY, 2006.

BY ORDER NO. 175, 889

BY: Robert P. Beck DATE: 2/1/6

ROBERT P. BECK
ACTING DIRECTOR OF PUBLIC WORKS
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

APPROVALS

THIS MAP IS APPROVED THIS 1ST DAY OF FEBRUARY, 2006.

BY ORDER NO. 175, 889

BY: Robert P. Beck DATE: 2/1/6

ROBERT P. BECK
ACTING DIRECTOR OF PUBLIC WORKS
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

APPROVALS

THIS MAP IS APPROVED THIS 1st DAY OF February 2006.

BY: Marcia Rosen DATE: 2/1/06

MARCIA ROSEN
EXECUTIVE DIRECTOR
REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
A PUBLIC BODY, CORPORATE AND POLITIC

APPROVED AS TO FORM

DENNIS J. HERRERA, CITY ATTORNEY

BY: Joel D. Mott

DEPUTY CITY ATTORNEY
CITY AND COUNTY OF SAN FRANCISCO,
STATE OF CALIFORNIA

THIS MAP IS SUBJECT TO THE TERMS AND CONDITIONS OF THE FOLLOWING

1. REDEVELOPMENT PLAN FOR THE MISSION BAY SOUTH REDEVELOPMENT PROJECT APPROVED BY ORDINANCE NO. 335-98 ADOPTED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO PER H264 OR 420 AND H304 OR 513

2. MISSION BAY SOUTH REDEVELOPMENT PLAN AREA DECLARATION OF RESTRICTIONS EXECUTED BY THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO PER H273 OR 267 AND H304 OR 513

3. MISSION BAY SOUTH OWNER PARTICIPATION AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO AND CATELLUS PER H273 OR 275, H304 OR 513, I587 OR 521, I714 OR 536, AND I836 OR 494 (8710/1, 8711/1, 8712/1, AND 8713/1)

4. COVENANTS, CONDITIONS AND RESTRICTIONS SET FORTH IN SECTION 11 OF THAT CERTAIN AMENDED AND RESTATED MISSION BAY CITY LAND TRANSFER AGREEMENT BY AND BETWEEN CATELLUS, AND THE CITY AND COUNTY OF SAN FRANCISCO PER H429 OR 501, H598 OR 175, I599 OR 106, AND I774 OR 010 (8710/1, 8711/1, SV-49 AND PORTION OF SV-21)

5. COVENANTS, CONDITIONS AND RESTRICTIONS SET FORTH IN SECTION 15.26 OF THAT CERTAIN AMENDED AND RESTATED AGREEMENT CONCERNING THE PUBLIC TRUST BY AND BETWEEN CATELLUS, CITY, FOR ITSELF AND ACTION THROUGH THE SAN FRANCISCO PORT COMMISSION, AND THE STATE OF CALIFORNIA PER H429 OR 503 AND H429 OR 560 (8710/1 AND 8711/1)

6. COVENANTS, CONDITIONS AND RESTRICTIONS IN THAT CERTAIN NOTICE OF SPECIAL RESTRICTIONS IN FAVOR OF CITY AND EXECUTED BY CATELLUS PER H429 OR 561 AND H432 OR 251 (8710/1)

7. COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY BY AND BETWEEN CATELLUS AND CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD FOR THE SAN FRANCISCO BAY REGION PER H598 OR 172 (8710/1, 8711/1, 8712/1, AND 8713/1)

8. COVENANTS, CONDITIONS AND RESTRICTIONS IN THE GRANT DEED FROM CATELLUS OPERATING LIMITED PARTNERSHIP TO CATELLUS LAND AND DEVELOPMENT CORPORATION PER I544 OR 366 (8710/1, 8711/1, 8712/1, AND 8713/1)

9. COVENANTS, CONDITIONS AND RESTRICTIONS IN THE GRANT DEED FROM CATELLUS LAND AND DEVELOPMENT CORPORATION TO FOCIL-MB, LLC PER I774 OR 005 (8710/1, 8711/1, 8712/1, AND 8713/1)

10. COVENANTS, CONDITIONS AND RESTRICTIONS IN THAT CERTAIN AMENDED AND RESTATED DECLARATION OF COVENANTS BY FOCIL-MB, LLC PER I836 OR 497 (8710/1, 8711/1, 8712/1, AND 8713/1)

11. COVENANTS, CONDITIONS AND RESTRICTIONS IN THAT CERTAIN SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION, PERMIT NO. 5-00 PER I030 OR 300 (8711/1, 8713/1, AND SV-49)

12. RECIPROCAL CONSTRUCTION LICENSE AGREEMENT BY AND BETWEEN CATELLUS LAND AND DEVELOPMENT CORPORATION, THE CITY AND COUNTY OF SAN FRANCISCO, AND THE REGENTS OF THE UNIVERSITY OF CALIFORNIA PER I786 OR 222 (8711/1 AND 8712/1)

13. MEMORANDUM OF MISSION BAY SOUTH AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS BY FOCIL-MB, LLC, AS SELLER, AND BOSA DEVELOPMENT CALIFORNIA II, INC., AS BUYER PER I989 OR 120 (PORTION OF 8711/1)

14. COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY BY AND BETWEEN CITY AND COUNTY OF SAN FRANCISCO AND CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD FOR THE SAN FRANCISCO BAY REGION PER H598 OR 171 (SV-49 AND PORTION OF SV-21)

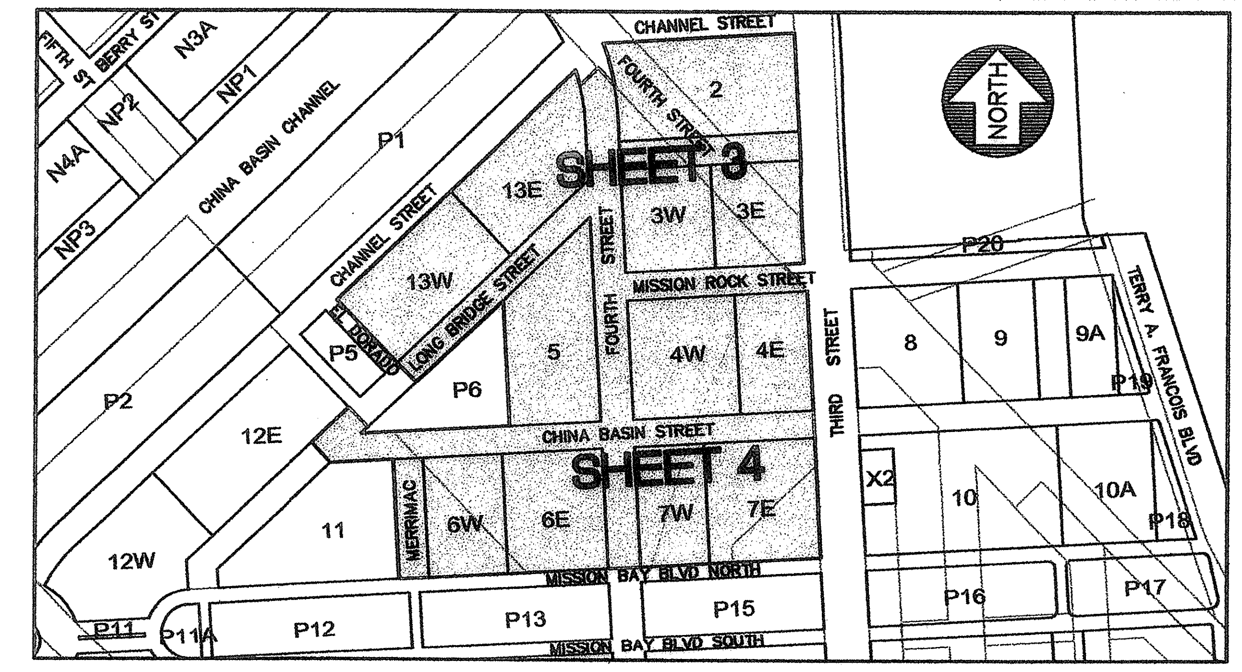
15. COVENANTS, CONDITIONS AND RESTRICTIONS IN THAT CERTAIN CITY AND COUNTY OF SAN FRANCISCO DEPARTMENT OF PUBLIC WORKS STREET ENCROACHMENT AGREEMENT BY AND BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND CHINA BASIN BALLPARK COMPANY LLC PER H637 OR 130 (SV-49)

16. COVENANTS, CONDITIONS AND RESTRICTIONS IN THAT CERTAIN NOTICE OF SPECIAL RESTRICTIONS IN FAVOR OF THE CITY AND EXECUTED BY CATELLUS PER H429 OR 562 AND H432 OR 251 (8712/1)

17. NOTICE OF SPECIAL RESTRICTIONS IN FAVOR OF THE CITY AND EXECUTED BY FOCIL-MB, LLC PER J045 OR 774 (8711/12)

18. EASEMENT AGREEMENT (CITY PUBLIC PEDESTRIAN ACCESS, WATER LINE, EMERGENCY VEHICLE ACCESS & EMERGENCY PUBLIC SERVICE EASEMENTS – LOT 27 OF BLOCK 8711 AND LOTS 13 AND 14 OF BLOCK 8711), ~~RECORDED ON ___________, AS REEL _____ AND IMAGE _____~~ DATED 2/21/06.

19. DECLARATION OF DEVELOPMENT COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS FOR MISSION BAY (BLOCKS 2 TO 7, INCLUSIVE, & BLOCK 13), ~~RECORDED ON ___________; AS REEL _____ AND IMAGE _____~~ TO BE RECORDED AT A FUTURE DATE.



VICINITY MAP NOT TO SCALE

PROPOSED RESIDENTIAL/COMMERCIAL CONDOMINIUM UNITS PER PARCEL

BLOCK	MAXIMUM NO. OF RESIDENTIAL UNITS	NO. OF RETAIL COMMERCIAL UNITS	NO. OF NON-RETAIL COMMERCIAL UNITS
2	325	1	5
3E	1	1	5
3W	100	1	5
4E	1	1	5
4W	192	1	5
5	200	1	5
6E	98	1	5
6W	135	1	5
7E	1	1	5
7W	1	1	5
13E	134	1	5
13W	285	1	5
TOTALS	1473	12	60

FINAL MAP
TRACT NO. 3936

FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES
MISSION BAY (2-7 AND 13)

BEING PHASE 1 OF A PLANNED DEVELOPMENT FOR MERGER AND SUBDIVISION FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES OF ASSESSOR'S BLOCK 8712 LOT 1 AND BLOCK 8713 LOT 1 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97-119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AND ASSESSOR'S BLOCK 8710 LOT 04 AND BLOCK 8711 LOT 12 AS SHOWN AND DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED ON DECEMBER 28, 2005 IN REEL J045 IMAGE 773, A PORTION OF FOURTH STREET (SV-49) VACATED BY ORDINANCE 0259-05, RECORDED ON FEB 2, 2006 IN REEL J069 IMAGE 015, AND A PORTION OF HUBBELL STREET (SV-21) VACATED BY ORDINANCE 328-98, RECORDED ON JULY 19, 1999 IN REEL H429 IMAGE 505, AND BOTH VACATIONS SUBSEQUENTLY CONVEYED TO FOCIL-MB, LLC BY DEED RECORDED ON FEB 2, 2006 IN REEL J069 IMAGE 006 IN THE OFFICE OF SAID RECORDER

CITY AND COUNTY OF SAN FRANCISCO — CALIFORNIA
SCALE AS NOTED — JANUARY, 2006

F&L Freyer & Laureta, Inc.
civil engineers · surveyors · construction managers
144 North San Mateo Drive · San Mateo, CA 94401

SHEET TWO OF FIVE SHEETS

EASEMENT NOTE:

BLOCK 8711 LOT 24

PUBLIC PEDESTRIAN ACCESS EASEMENT

WATER LINE EASEMENT

EMERGENCY VEHICLE ACCESS EASEMENT

EMERGENCY PUBLIC SERVICE EASEMENT

EASEMENT FOR PRIVATE VEHICLE ACCESS, MAINTENANCE AND REPAIR, DRAINAGE, PRIVATE UTILITY, AND TEMPORARY CONSTRUCTION ACCESS PURPOSES, EASEMENT FOR ENCROACHMENT OF BAY WINDOWS, BALCONIES AND ETC., AND EASEMENT FOR EMERGENCY EXITING

20' WIDE EASEMENT AREA IN BLOCKS 8711 LOT 13 AND 8711 LOT 14

PUBLIC PEDESTRIAN ACCESS EASEMENT

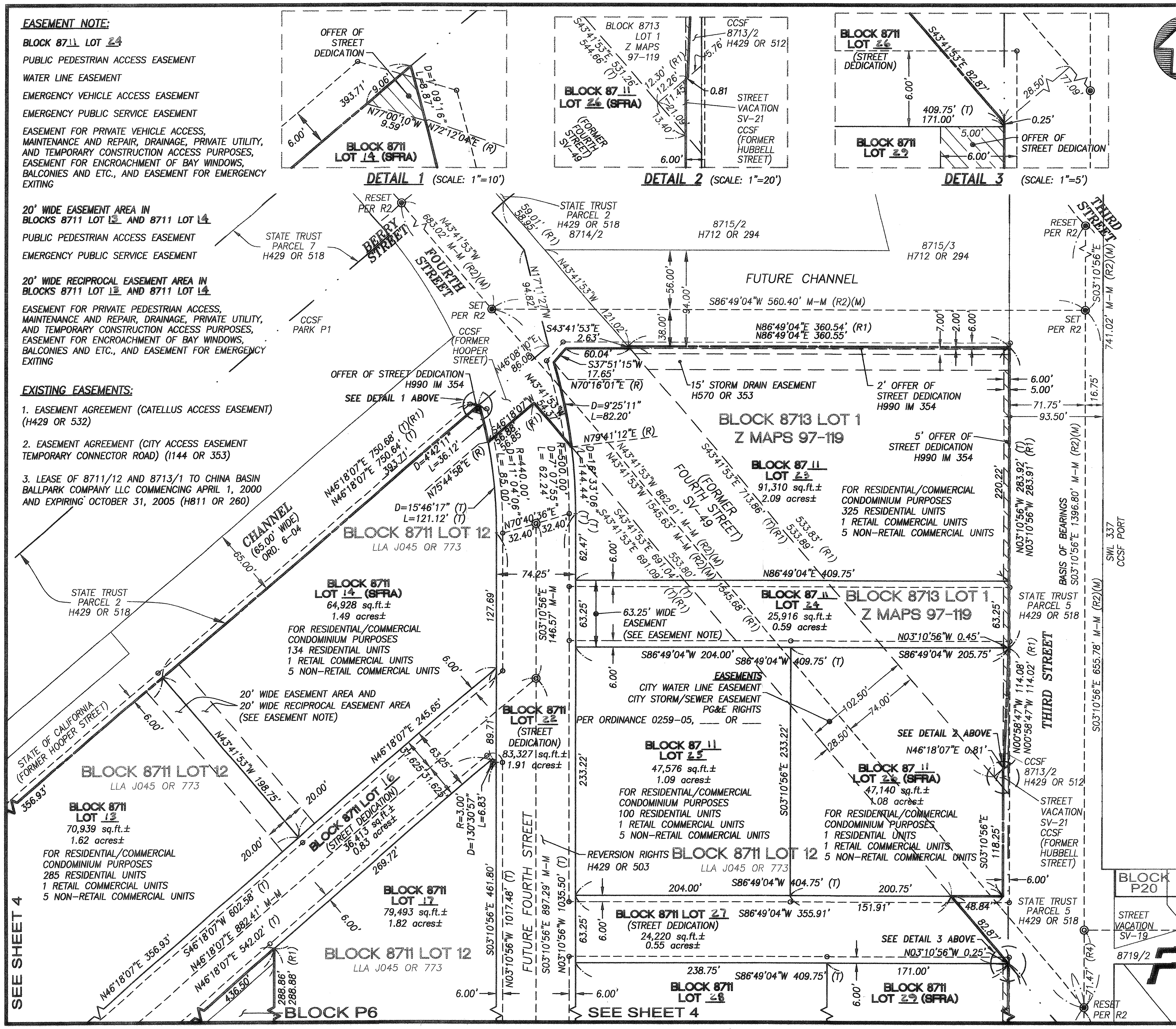
EMERGENCY PUBLIC SERVICE EASEMENT

20' WIDE RECIPROCAL EASEMENT AREA IN BLOCKS 8711 LOT 13 AND 8711 LOT 14

EASEMENT FOR PRIVATE PEDESTRIAN ACCESS, MAINTENANCE AND REPAIR, DRAINAGE, PRIVATE UTILITY, AND TEMPORARY CONSTRUCTION ACCESS PURPOSES, EASEMENT FOR ENCROACHMENT OF BAY WINDOWS, BALCONIES AND ETC., AND EASEMENT FOR EMERGENCY EXITING

EXISTING EASEMENTS:

1. EASEMENT AGREEMENT (CATELLUS ACCESS EASEMENT) (H429 OR 532)
2. EASEMENT AGREEMENT (CITY ACCESS EASEMENT TEMPORARY CONNECTOR ROAD) (I144 OR 353)
3. LEASE OF 8711/12 AND 8713/1 TO CHINA BASIN BALLPARK COMPANY LLC COMMENCING APRIL 1, 2000 AND EXPIRING OCTOBER 31, 2005 (H811 OR 260)



60' 0 60' 120'

SCALE: 1" = 60'

NORTH

LEGEND:

	DISTINCTIVE BORDER LINE
	PROPERTY LINE
	EASEMENT LINE
	STATE TRUST PARCEL LINE
	MONUMENT LINE
	OFFER OF STREET DEDICATION
◉	FOUND EXISTING CONCRETE MONUMENT WITH BRASS CAP IN MONUMENT WELL PER "RECORD OF SURVEY OF MISSION BAY", BOOK BB OF MAPS, PAGES 4-5 OR AS NOTED
◎	CITY STANDARD STREET MONUMENT TO BE SET
○	BRASS DISC, EPOXIED TO BE SET – R.C.E. NO. C-030060, IF MONUMENTATION DIFFERS, A CORNER RECORD, CERTIFICATE OF CORRECTION OR RECORD OF SURVEY, AS APPROPRIATE, WILL BE FILED INDICATING LOCATION AND CHARACTER.
M-M	MONUMENT TO MONUMENT
M/L-M	MONUMENT LINE TO MONUMENT
M/L-M/L	MONUMENT LINE TO MONUMENT LINE
L	LENGTH (R) RADIAL (T) TOTAL (M) MEASURED
O.R.	OFFICIAL RECORDS, CITY AND COUNTY OF SAN FRANCISCO
CCSF	CITY AND COUNTY OF SAN FRANCISCO
SFRA	SAN FRANCISCO REDEVELOPMENT AGENCY
SV-	STREET VACATION REFERENCE
8715/2	ASSESSOR'S BLOCK/ASSESSOR'S LOT NUMBER
(R1)	RECORD DATA PER "MAP OF MISSION BAY", RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS PAGES 97-119
(R2)	RECORD DATA PER "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED ON MAY 31, 2005 IN BOOK BB OF MAPS PAGES 4-5
(R3)	RECORD DATA PER LOT LINE ADJUSTMENT, RECORDED ON DECEMBER 28, 2005 IN J045 OR 773
(R4)	RECORD DATA PER BB MAPS 6-10

FINAL MAP
TRACT NO. 3936

FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES MISSION BAY (2-7 AND 13)

BEING PHASE 1 OF A PLANNED DEVELOPMENT FOR MERGER AND SUBDIVISION FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES OF ASSESSOR'S BLOCK 8712 LOT 1 AND BLOCK 8713 LOT 1 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED ON JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97-119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AND ASSESSOR'S BLOCK 8710 LOT 04 AND BLOCK 8711 LOT 12 AS SHOWN AND DESCRIBED IN THAT CERTAIN LOT LINE ADJUSTMENT RECORDED ON DECEMBER 28, 2005 IN REEL J045 IMAGE 773, A PORTION OF FOURTH STREET (SV-49) VACATED BY ORDINANCE 0259-05, RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 645, AND A PORTION OF HUBBELL STREET (SV-21) VACATED BY ORDINANCE 328-98, RECORDED ON JULY 19, 1999 IN REEL H429 IMAGE 505, AND BOTH VACATIONS SUBSEQUENTLY CONVEYED TO FOCIL-MB, LLC BY DEED RECORDED ON FEB. 2, 2006 IN REEL J069 IMAGE 646 IN THE OFFICE OF SAID RECORDER

CITY AND COUNTY OF SAN FRANCISCO — CALIFORNIA

SCALE AS NOTED — JANUARY, 2006

F&L Freyer & Laureta, Inc.
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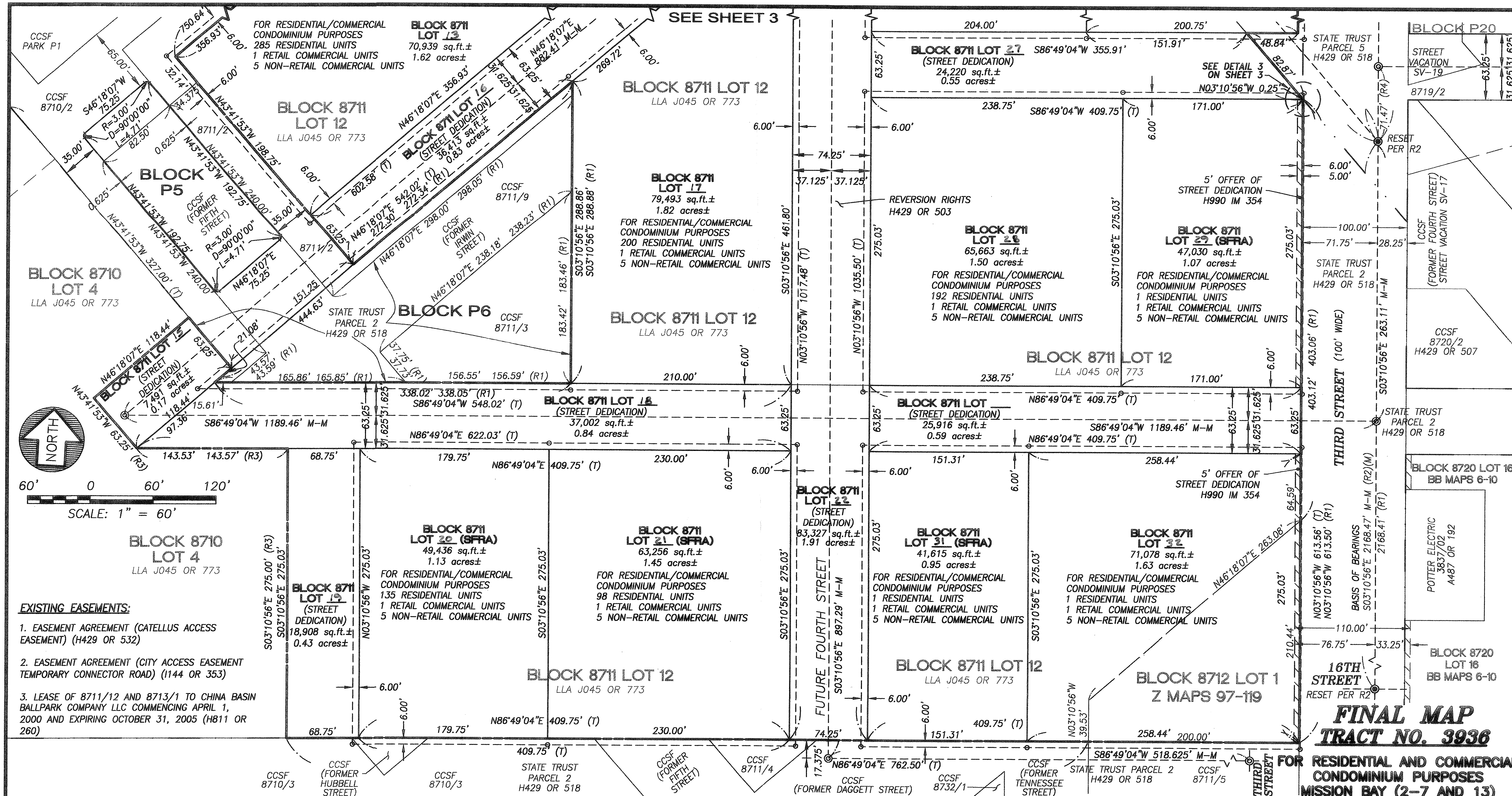

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FINAL MAP
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CITY AND COUNTY OF SAN FRANCISCO
SCALE AS NOTED

CALIFORNIA
JANUARY, 2006

F&L Freyer & Laureta, Inc.
civil engineers · surveyors · construction managers
144 North San Mateo Drive · San Mateo, CA 94401

SHEET FOUR OF FIVE SHEETS

LEGEND:

◉	FOUND EXISTING CONCRETE MONUMENT WITH BRASS CAP IN MONUMENT WELL PER "RECORD OF SURVEY OF MISSION BAY", BOOK BB OF MAPS, PAGES 4-5 OR AS NOTED
◎	CITY STANDARD STREET MONUMENT TO BE SET
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DISTINCTIVE BORDER LINE
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OFFER OF STREET DEDICATION

L	LENGTH (R) RADIAL (T) TOTAL (M) MEASURED
O.R.	OFFICIAL RECORDS, CITY AND COUNTY OF SAN FRANCISCO
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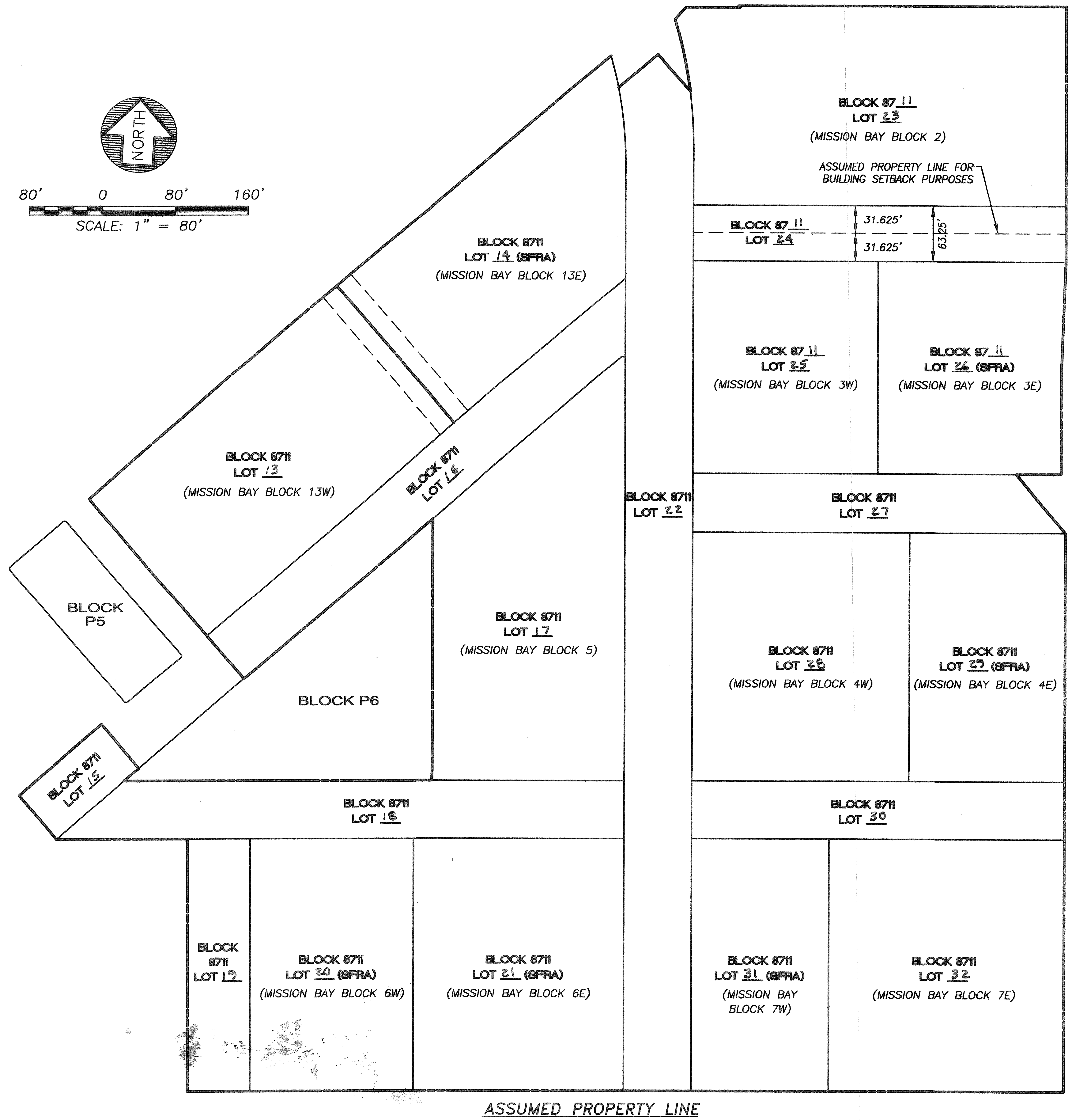

THIS SHEET FOR INFORMATIONAL PURPOSES ONLY

GENERAL NOTES

THE FOLLOWING NOTES ARE REQUIRED TO BE PLACED ON THE FINAL MAP IN ACCORDANCE WITH THE CONDITIONS OF APPROVAL. THEY ARE FOR INFORMATIONAL PURPOSES ONLY AND ARE NOT INTENDED TO AFFECT RECORD TITLE INTEREST:

a) REFER TO APPLICABLE REQUIREMENTS AS SET FORTH IN THE PLAN DOCUMENTS (AS DEFINED IN THE MISSION BAY SOUTH REDEVELOPMENT PLAN) AND AS MAY BE FURTHER REFERENCED IN THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE MISSION BAY FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT IN CONNECTION THEREWITH, AND THE APPLICABLE CITY REGULATIONS (AS DEFINED IN THE REDEVELOPMENT PLAN) AND THE APPROVED MISSION BAY STREETSCAPE MASTER PLAN THEN IN EFFECT.

b) THIS IS A MAP OF A "PLANNED DEVELOPMENT" AS THAT TERM IS DEFINED IN SECTION 1351 (k) OF THE CALIFORNIA CIVIL CODE, CONSISTING OF MULTIPLE "CONDOMINIUM PROJECTS" AS THAT TERM IS DEFINED IN SECTION 1351 (f) OF THE CALIFORNIA CIVIL CODE AND THE SUBDIVISION DEPICTED HEREON IS SUBJECT TO THE PROVISIONS OF THE DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT, TITLE 6, PART 4, DIVISION 2 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA. CONTAINED HEREIN IS A SURVEY MAP OF THE SURFACE OF THE LAND INCLUDED WITHIN THE PROJECT.

ENCROACHMENT(S) OF BUILDING APPURTENANCES, INCLUDING WITHOUT LIMITATION, BAY WINDOWS, BALCONIES, AWNINGS, FIRE ESCAPES, DECKS, OVERHANGS AND OTHER SUCH ARCHITECTURAL ELEMENTS AND COMPONENTS (IF ANY SHOWN HEREON OR CONSTRUCTED IN THE FUTURE) ONTO A PUBLIC RIGHT-OF-WAY ARE ALLOWED BY BUILDING PERMITS AND ARE SUBJECT TO THE RESTRICTIONS SET FORTH IN THE BUILDING CODE OF THE CITY AND COUNTY OF SAN FRANCISCO. THIS MAP DOES NOT CONVEY TO THE BENEFITED PROPERTY, BUILDING, OR UNIT OWNER(S) ANY OWNERSHIP INTEREST IN THE PUBLIC RIGHT-OF-WAY IN, ON OR OVER WHICH SUCH ENCROACHMENT(S) ARE ALLOWED.

FINAL MAP
TRACT NO. 3936

FOR RESIDENTIAL AND COMMERCIAL CONDOMINIUM PURPOSES
MISSION BAY
(2-7 AND 13)

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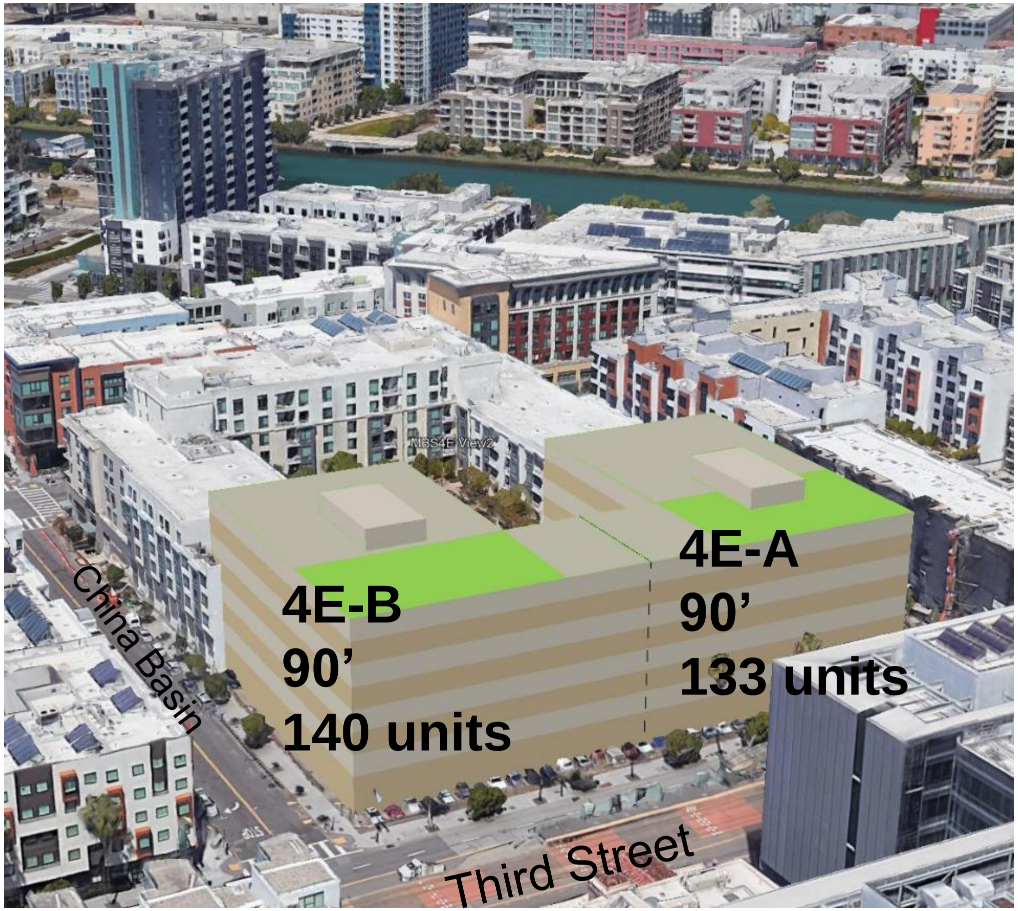
CITY AND COUNTY OF SAN FRANCISCO — *CALIFORNIA*
SCALE AS NOTED — *JANUARY, 2006*

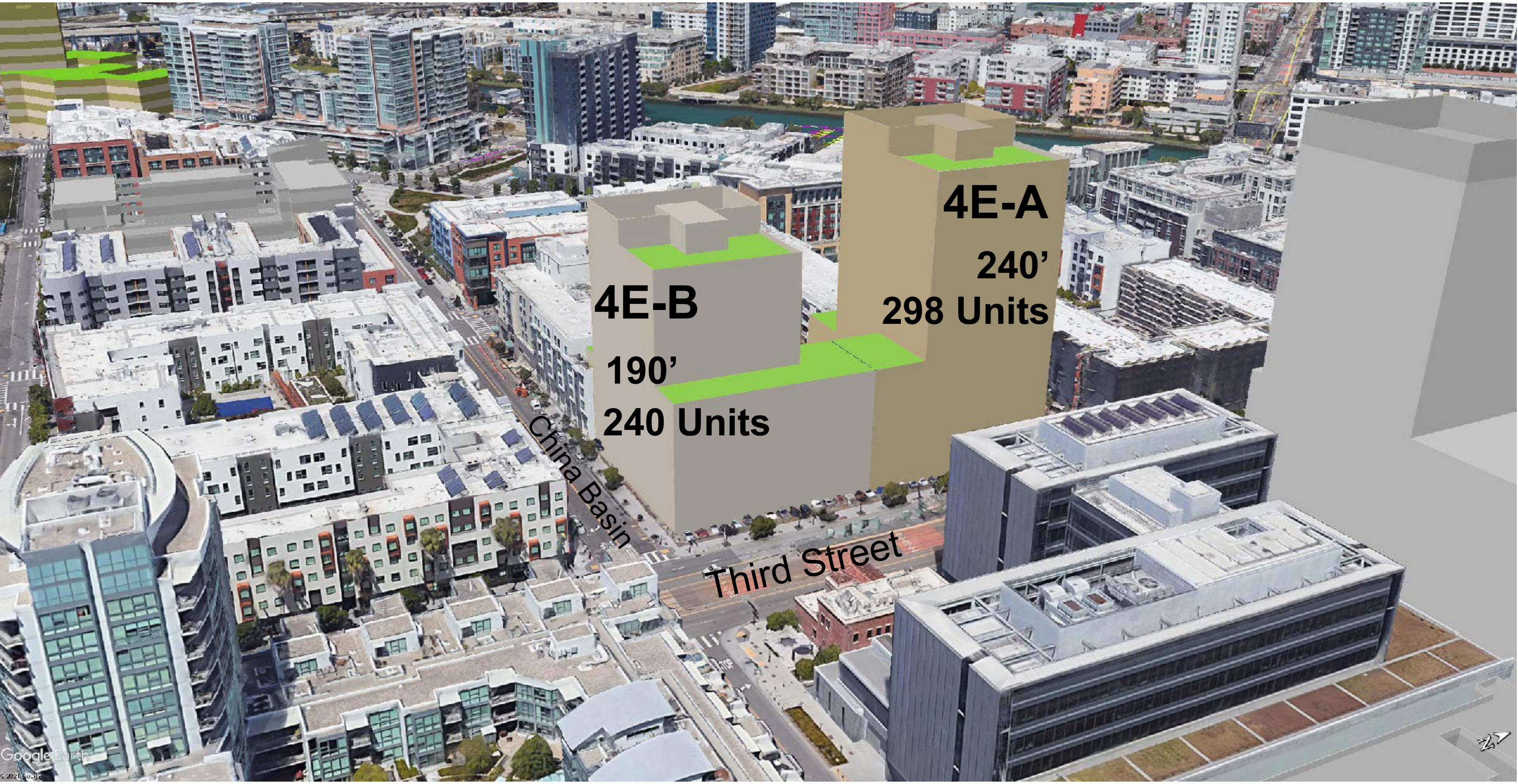
F&L Freyer & Laureta, Inc.
civil engineers · surveyors · construction managers
144 North San Mateo Drive · San Mateo, CA 94401

Block 4 East Massing Study: 90' Podiums



** Massing study diagrams are provided for background purposes only. Any deviation(s) from Project Area design requirements are subject to review and approval by the OCII Commission and the San Francisco Board of Supervisors, as applicable.*

Block 4 East
Massing Study: 190' and 240' Towers, Alternate Bulk Standards



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Block 4 East
Massing Study: 190' and 240' Towers, Alternate Bulk Standards

View from southeast toward the northwest Grey massing represents published plans for Mission Rock.

** Massing study diagrams are provided for background purposes only. Any deviation(s) from Project Area design requirements are subject to review and approval by the OCII Commission and the San Francisco Board of Supervisors, as applicable.*

Block 4 East
Massing Study: 190' and 240' Towers, Alternate Bulk Standards

View from west toward the east. Grey massing represents published plans for Mission Rock.

** Massing study diagrams are provided for background purposes only. Any deviation(s) from Project Area design requirements are subject to review and approval by the OCII Commission and the San Francisco Board of Supervisors, as applicable.*

Block 4 East
Massing Study: 190' and 240' Towers, Alternate Bulk Standards

View from south toward the north along 3rd Street. Grey massing represents published plans for Mission Rock.

* Massing study diagrams are provided for background purposes only. Any deviation(s) from Project Area design requirements are subject to review and approval by the OCII Commission and the San Francisco Board of Supervisors, as applicable.

Attachment #20: OCII Insurance Requirements

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Developer must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII.

A. Overview of Coverage Requirements. The following table summarizes required insurance policies and documentation. Please see Section B for more detailed descriptions of policy requirements.

Insurance Type	Coverage Amount (Minimum)	Applicable Parties	Endorsement or Certificate Required
Commercial General Liability (see Section B.1)	$1,000,000 per occurrence/ $2,000,000 aggregate*	Developer's design and professional contractors; and Developer (prior to start of construction)	Additional insured (see Section G) Completed Operations Coverage endorsement (on construction stage policy) (see Section G)
	$10,000,000 per occurrence/ $10,000,000 aggregate*	Developer (upon construction start), general contractor, and subcontractors to the general contractor	
Automobile Liability (see Section B.2)	$1,000,000 per occurrence*	Developer and Developer's contractors	Additional insured (see Section G)
	$10,000,000 per accident*	Upon construction start – general contractor and subcontractors to the general contractor	
Worker's Compensation and Employer's Liability (see Section B.3)	As per statute for Workers Comp; $1,000,000 per accident; $1,000,000 per employee; and in aggregate for bodily injury by disease as respects Employers Liability*	Developer and Developer's contractors	Waiver of subrogation
Professional Liability (see Section B.4)	$2,000,000 per claim/ $2,000,000 aggregate	Developer if engaged in any eligible design-related activities; and Developer's design and professional contractors	None
Crime/Dishonesty (see Section B.5)	$1,000,000 per loss	Developer	Loss payee endorsement
Pollution Liability/Asbestos –	$1,000,000 per claim/ $2,000,000 aggregate	Developer or Developer's construction contractor(s)	Additional insured (see Section G)

Insurance Type	Coverage Amount (Minimum)	Applicable Parties	Endorsement or Certificate Required
During Construction (see Section B.6)			
Builder's Risk – During Construction (see Section B.7a)	100% of replacement value	Developer	Loss payee endorsement
Property Insurance – After Construction Completion (see Section B.7b)	100% of replacement value	Developer or Developer's property manager	Loss payee endorsement
Performance and Payment Bonds (see Section B.8)	100% of contract value	Developer's construction contractors	OCII and Developer named as dual obligees

** Umbrella, excess liability policy, or owner controlled insurance program (OCIP) may be used to meet limits (see Section D)*

B. Minimum Scope and Limits of Insurance. Developer and/or Developer's Contractors must maintain insurance with limits no less than:

1) Commercial General Liability coverage, under Insurance Services Office occurrence form CG 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). Limits set forth below, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; broad form property damage; explosion, collapse and underground (XCU); products and completed operations. Umbrella, Excess Liability, or an Owner Controlled Insurance Policy may be used to meet the terms of this section.

a. Before the start of demolition/construction if the Site is unoccupied, Developer and Developer's Contractors will maintain coverage of not less than One Million Dollars ($1,000,000) combined single limit per occurrence and Two Million Dollars ($2,000,000) annual aggregate limit. These limit requirements apply to Developer's design and professional contractors throughout the required coverage period;

b. During demolition/construction and occupancy of the Site and ongoing operations of the Project, Developer and its Construction Contractors and/or Property Manager will maintain coverage of not less than Ten Million Dollars ($10,000,000) combined single limit per occurrence and Ten Million Dollars ($10,000,000) annual aggregate limit. For subcontractors to the Construction General Contractor and the Property Manager the Developer, in consultation with the Construction General Contractor and the Property Manager, as appropriate, are required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant;

c. The construction period general liability policy must include completed operations coverage for a minimum of ten (10) years. Developer must provide a completed operations coverage endorsement (form CG 20 37 or equivalent) and OCII must be named as an additional insured pursuant Section G below.

2) Automobile Liability coverage for all owned, non-owned, scheduled, and hired automobiles under Insurance Services Office form number CA 00 01 or other form approved by OCII, with additional insured endorsement (see Section G). If Developer does not own any automobiles, Developer must provide OCII a written statement confirming that no automobiles are owned, and OCII will accept an Automobile Insurance policy providing coverage for Symbol 8 (hired autos) and Symbol 9 (non-owned autos), with additional insured endorsement. One Million Dollars ($1,000,000) per accident for bodily injury and property damage, combined single limit.

   For construction operations, Developer's Contractor will maintain coverage of not less than Ten Million Dollars ($10,000,000) per accident for bodily injury and property damage, combined single limit. For subcontractors to the Construction General Contractor and the Developer, the Construction General Contractor, is required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of automobile liability coverage provided by the subcontractor or consultant.

3) Worker's Compensation and Employer's Liability as required by the State of California. A waiver of subrogation naming OCII is required (also known as "transfer of rights of recovery against others to us"). Employer's Liability coverage must provide limits of One Million Dollars ($1,000,000) for bodily injury each accident; and not less than One Million Dollars ($1,000,000) per employee; and One Million Dollars ($1,000,000) in the annual aggregate for bodily injury by disease. If the Developer does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Project Sponsor(s) or the General Partner of the Partnership, in lieu of such coverage being provided by the Developer. Additionally, the Developer must provide a written statement confirming that the Developer does not have employees.

4) Professional Liability (Errors and Omissions) insurance, applicable to the Developer's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Developer only if the Developer has any employees providing design or engineering services. Two Million Dollars ($2,000,000) for each claim and in the annual aggregate limit covering negligent acts, errors or omissions in connection with professional services to be provided in connection with the Project. If the Professional Liability insurance is "claims made" coverage, these minimum limits shall be maintained for no less than five (5) years beyond completion of the scope of services performed. Any deductible over One Hundred Thousand Dollars ($100,000) each claim must be reviewed by OCII Risk Management.

   Design professionals who utilize the services of subcontractors or consultants to complete work in connection with this project are required to assess the risks associated with such contractors and, with the authorization of the Developer, determine and verify the appropriate level of coverage provided by the subcontractor or consultant. The design professional and the Developer shall assume costs and expenses that may be incurred in fulfilling any indemnity obligations as to itself or any subcontractors or consultants for whom the design professional and/or the Developer are legally liable in the absence of adequate subcontractor or consultant coverage.

5) Crime Policy or Fidelity Bond covering Developer and Developer's officers and employees against dishonesty with respect to the Funding Amount. One Million Dollars ($1,000,000) each loss, with any deductible not to exceed Ten Thousand Dollars ($10,000). Developer must provide an endorsement naming OCII as an additional obligee or loss payee.

   Application of Crime Insurance Proceeds. Developer shall promptly notify OCII of any claim under the required Crime Insurance Policy. OCII may retain from the proceeds of the required Crime Insurance Policy, a sufficient amount of the proceeds to pay the Funding Amount, if any, and shall pay the balance to Developer. For the avoidance of doubt, OCII shall have no right or claim to the proceeds of the required Crime Insurance Policy in excess of the Funding Amount.

6) Pollution Liability and/or Asbestos Pollution Liability applicable to the work being performed, with a limit no less than One Million Dollars ($1,000,000) per claim or occurrence and Two Million Dollars ($2,000,000) aggregate per policy period of one year, this coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Developer's construction contractor to maintain these minimum limits for no less than three (3) years beyond completion of the Project.

7) Property Insurance

   a. Builder's Risk Insurance during the course of any construction, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and OCII property in the care, custody and control of Developer or its contractor, including coverage in transit and storage off-site, with a deductible not to exceed Fifty Thousand Dollars ($50,000) each loss, including OCII as loss payee. Builder's Risk must be maintained by the Developer or the Developer must cause its general contractor to maintain this insurance.

   b. Property Insurance after completion of construction, special form coverage, excluding earthquake and flood, but including vandalism and malicious mischief, and including boiler and machinery insurance, for one hundred percent (100%) of the replacement value of all furnishings, fixtures, equipment, improvements, alterations and property of every kind located on or appurtenant to the Site, including coverage for loss of rental income due to an insured peril for twelve (12) months, with a deductible not to exceed Twenty Five Thousand Dollars ($25,000) each loss, including OCII as a loss payee. A waiver of subrogation naming OCII is required (also known as "transfer of rights of recovery against others to us").

8) Performance and Payment Bonds for eligible construction contractors during construction and/or rehabilitation, each in the amount of one hundred percent (100%) of contract amounts, naming OCII and Developer as dual obligees, or other completion security approved by OCII in its sole discretion. OCII has approved issuance of a Completion Guaranty by an affiliate of Developer to Developer's institutional lender as completion security.

C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions in excess of those required for policies stated herein must be declared to and approved by OCII. At the option of OCII, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees; or Developer shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Umbrella, Excess Liability, and Owner Controlled Insurance Policies (OCIP). An Umbrella and/or Excess Liability policy(ies) or an OCIP may be used to reach the Commercial General Liability, Workers' Compensation, and/or Automobile Liability coverage limits required herein. The Umbrella/Excess Liability/OCIP policy(ies) must appropriately schedule any such underlying policy(ies).

E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII, unless otherwise approved by OCII's Risk Manager.

F. General Requirements.

1) If the Developer maintains additional coverages and/or higher limits than the minimums shown in this Exhibit F, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Developer.

2) The policies required herein, with the exception of Professional Liability and Workers Compensation, shall be primary insurance and non-contributory as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents, and employees. Any insurance or self-insurance maintained by OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees shall be in excess of Developer's insurance and shall not contribute with it.

3) Each insurance policy required herein must be endorsed (if endorsement is available) to state that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by mail has been given to OCII. Should the insurance carrier not be able to provide such notice, then the responsibility to provide the notice to OCII shall be borne by the policyholder.

4) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents or employees.

5) Approval of Developer's insurance by OCII will not relieve or decrease the liability of Developer under this Agreement.

6) OCII and its officers, agents and employees will not be liable for any required premium under any policy maintained by Developer.

7) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than five (5) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

G. Verification of Coverage. Developer must furnish OCII with certificates of insurance and original endorsements evidencing coverage required by this clause. The certificates and applicable endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by OCII before work commences. OCII reserves the right to require complete, certified copies of all required insurance policies, including endorsements demonstrating the coverage required by these specifications at any time. Developer shall require and verify that its contractors and consultants maintain the required policies as stated herein. Developer must furnish OCII with copies of certificates and endorsements upon request. All certificates shall include the following:

1) Identify the following as the certificate holder:

   Successor Agency to the Redevelopment Agency of the City and County of San Francisco
   Office of Community Investment and Infrastructure
   One South Van Ness Avenue, 5th Floor
   San Francisco, CA 94103

2) Identify the name of the insurance policy holder (Developer or Contractor), the Project name, and the Project address.

3) For policies in which OCII is required to be named as an additional insured, loss payee, dual obligee, or named on a waiver of subrogation, the policy shall name "Office of Community Investment and Infrastructure/Successor Agency to the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees" on the certificate and on the attached endorsement or certificate.

H. Review. OCII reserves the right to modify the insurance coverage under this Section, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances consistent with OCII's Risk Management Policy. The insurance coverage required under this Section shall be evaluated by OCII for adequacy from time to time. OCII may require Developer to increase the insurance limits and/or forms of coverage in its reasonable discretion provided that such limits and/or coverage is generally available at commercially reasonable rates.

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2023
MAXIMUM INCOME BY HOUSEHOLD SIZE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco

Income Definition	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	9 Person	10 Person	11 Person
15% OF MEDIAN	$15,150	$17,300	$19,450	$21,600	$23,350	$25,050	$26,800	$28,550	$30,250	$32,000	$33,700
20% OF MEDIAN	$20,150	$23,050	$25,950	$28,800	$31,150	$33,450	$35,750	$38,050	$40,350	$42,650	$44,950
25% OF MEDIAN	$25,200	$28,850	$32,450	$36,050	$38,900	$41,800	$44,700	$47,550	$50,450	$53,300	$56,200
30% OF MEDIAN	$30,250	$34,600	$38,900	$43,250	$46,700	$50,150	$53,600	$57,050	$60,550	$64,000	$67,450
35% OF MEDIAN	$35,300	$40,350	$45,400	$50,450	$54,500	$58,500	$62,550	$66,550	$70,600	$74,650	$78,700
40% OF MEDIAN	$40,350	$46,100	$51,900	$57,650	$62,250	$66,850	$71,500	$76,100	$80,700	$85,300	$89,900
45% OF MEDIAN	$45,400	$51,900	$58,350	$64,850	$70,050	$75,200	$80,400	$85,600	$90,800	$95,950	$101,150
50% OF MEDIAN	$50,450	$57,650	$64,850	$72,050	$77,850	$83,600	$89,350	$95,100	$100,900	$106,650	$112,400
55% OF MEDIAN	$55,450	$63,400	$71,350	$79,250	$85,600	$91,950	$98,300	$104,600	$110,950	$117,300	$123,650
60% OF MEDIAN	$60,500	$69,200	$77,800	$86,450	$93,400	$100,300	$107,200	$114,100	$121,050	$127,950	$134,900
65% OF MEDIAN	$65,550	$74,950	$84,300	$93,650	$101,150	$108,650	$116,150	$123,650	$131,150	$138,600	$146,100
70% OF MEDIAN	$70,600	$80,700	$90,800	$100,850	$108,950	$117,000	$125,100	$133,150	$141,250	$149,300	$157,350
72% OF MEDIAN	$72,600	$83,000	$93,400	$103,750	$112,050	$120,350	$128,650	$136,950	$145,250	$153,550	$161,850
74% OF MEDIAN	$74,650	$85,300	$96,000	$106,650	$115,200	$123,700	$132,250	$140,750	$149,300	$157,800	$166,350
75% OF MEDIAN	$75,650	$86,500	$97,300	$108,100	$116,750	$125,350	$134,050	$142,650	$151,300	$159,950	$168,600
80% OF MEDIAN	$80,700	$92,250	$103,750	$115,300	$124,500	$133,700	$142,950	$152,150	$161,400	$170,600	$179,850
85% OF MEDIAN	$85,700	$98,000	$110,250	$122,500	$132,300	$142,100	$151,900	$161,650	$171,500	$181,250	$191,100
90% OF MEDIAN	$90,750	$103,750	$116,750	$129,700	$140,100	$150,450	$160,850	$171,200	$181,600	$191,950	$202,300
95% OF MEDIAN	$95,800	$109,550	$123,200	$136,900	$147,850	$158,800	$169,750	$180,700	$191,650	$202,600	$213,550
100% OF MEDIAN	$100,850	$115,300	$129,700	$144,100	$155,650	$167,150	$178,700	$190,200	$201,750	$213,250	$224,800
103% OF MEDIAN	$103,900	$118,750	$133,600	$148,400	$160,300	$172,150	$184,050	$195,900	$207,800	$219,650	$231,550
105% OF MEDIAN	$105,900	$121,050	$136,200	$151,300	$163,450	$175,500	$187,650	$199,700	$211,850	$223,900	$236,050
110% OF MEDIAN	$110,950	$126,850	$142,650	$158,500	$171,200	$183,850	$196,550	$209,200	$221,950	$234,600	$247,300
115% OF MEDIAN	$116,000	$132,600	$149,150	$165,700	$179,000	$192,200	$205,500	$218,750	$232,000	$245,250	$258,500
120% OF MEDIAN	$121,000	$138,350	$155,650	$172,900	$186,800	$200,600	$214,450	$228,250	$242,100	$255,900	$269,750
130% OF MEDIAN	$131,100	$149,900	$168,600	$187,350	$202,350	$217,300	$232,300	$247,250	$262,300	$277,250	$292,250
135% OF MEDIAN	$136,150	$155,650	$175,100	$194,550	$210,150	$225,650	$241,250	$256,750	$272,350	$287,900	$303,500
140% OF MEDIAN	$141,200	$161,400	$181,600	$201,750	$217,900	$234,000	$250,200	$266,300	$282,450	$298,550	$314,700
145% OF MEDIAN	$146,250	$167,200	$188,050	$208,950	$225,700	$242,350	$259,100	$275,800	$292,550	$309,200	$325,950
150% OF MEDIAN	$151,300	$172,950	$194,550	$216,150	$233,500	$250,750	$268,050	$285,300	$302,650	$319,900	$337,200
160% OF MEDIAN	$161,350	$184,500	$207,500	$230,550	$249,050	$267,450	$285,900	$304,300	$322,800	$341,200	$359,700
175% OF MEDIAN	$176,500	$201,800	$227,000	$252,200	$272,400	$292,500	$312,750	$332,850	$353,050	$373,200	$393,400
200% OF MEDIAN	$201,700	$230,600	$259,400	$288,200	$311,300	$334,300	$357,400	$380,400	$403,500	$426,500	$449,600

San Francisco Mayor's Office of Housing and Community Development

Notes:
1. Source: U.S. Dept. of Housing and Urban Development, published: 05/15/2023
2. Figures derived by SF MOHCD from HUD's 2023 Median Family Income for a 4 person Household for San Francisco ('HMFA'), unadjusted for high housing costs, and are rounded to the nearest $50.
3. Additional information on HUD's defined income limits can be found at: http://www.huduser.org/portal/datasets/il.html
4. Figures above further derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: https://tinyurl.com/SFAMIHoldHarmless

Effective Date: 05/31/2023

PROPERTY OWNER AND OCCUPANT PREFERENCE PROGRAM

(CERTIFICATE OF PREFERENCE PROGRAM)

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

As amended and restated pursuant to
Agency Resolution No. 57-2008 (June 3, 2008)

As further amended pursuant to
Successor Agency Resolution No. 40-2020 (Dec. 15, 2020)

As amended December 15, 2020

Effective January 1, 2021

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I. INTRODUCTION.

In 1967, the Redevelopment Agency of the City and County of San Francisco ("Agency") established a Certificate of Preference Program for displaced residents and businesses in the Western Addition A-2 Redevelopment Project Area. [1] The Agency was in the midst of implementing federally-funded urban renewal programs. It created a local program whereby displaced residents and businesses received "Certificates of Preference" and were thus entitled to a priority in the renting or buying of Agency-owned or approved property. The preference was in addition to other relocation benefits (i.e., fair market value for acquired property, relocation assistance, replacement housing units) that the displacees may have received; it was also subject to otherwise applicable eligibility requirements that the Agency imposed on the renting or buying of the property.

Two years later, in 1969, the California legislature established a "priority" for low- and moderate-income persons displaced by redevelopment projects "in renting or buying" affordable housing developed by redevelopment agencies.[2] This statutory obligation is currently codified in the Community Redevelopment Law at Section 33411.3 of the Health and Safety Code. State law does not specify how redevelopment agencies implement the "priority" for displacees.

The Certificate of Preference Program has special significance in the Western Addition A-2 and Hunters Point Redevelopment Project Areas, where federally-funded urban renewal authorized the widespread clearance and relocation of communities. [3] The federal programs were replicated across the country and caused wide-spread social, economic, cultural, political, and emotional upheaval that has been documented in the affected communities.[4] In light of the unique social and individual losses associated with urban renewal, the Agency provides enhanced preferences to those who were directly or indirectly affected by the redevelopment activities in the Western Addition A-2 and Hunters Point Redevelopment Project Areas.

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[1] See Rules Governing Business Preferences for the Western Addition Redevelopment Project Area A-2, Agency Resolution No. 136-63 (Oct. 22, 1963); Property Owner and Occupant Preference Policy for Reestablishment in the Western Addition Redevelopment Project A-2, Agency Resolution No. 103-67 (July 25, 1967).

[2] Statutes 1969, chapter 955 (Senate Bill No. 146-Moscone), § 4.

[3] Although other project areas were subject to "urban renewal," they were not part of the Certificate Program. By the time the Agency adopted the original Certificate Program in 1967, massive displacement of businesses and residents had already occurred in the Western Addition A-1 and the Golden Gateway Project Areas. Moreover, the relocation of thousands of residents in the Yerba Buena Center Project Area was the subject of litigation that ultimately defined the rights of displacees in judicial orders and a settlement agreement. See Tenants and Owners in Opposition to Redevelopment ("TOOR") v. U.S. Dept. of Housing and Urban Development, 406 F. Supp. 1024 (N.D. Cal. 1970). Apparently, these other project areas in the urban renewal era were not included in the Certificate Program because of these circumstances and thus are not part of these revised program rules.

[4] See generally M. Fullilove, Root Shock: How Tearing Up City Neighborhoods Hurts America, and What We Can Do About It (Ballantine Books 2004).

As noted above, the Agency has statutory obligations under the California Community Redevelopment Law to provide preferences to low- and moderate-income displacees in Agency-assisted housing and to businesses for the purposes of reentering the project area.[5] The Agency has fulfilled these obligations through a Certificate of Preference Program and through separately-adopted business re-entry policies that are part of redevelopment plan approvals.[6] Historically, the Certificate of Preference Program has applied only in the Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan), Stockton-Sacramento,[7] and Bayview Industrial Triangle Redevelopment Project Areas.[8] In other redevelopment project areas, the Agency did not use the Certificate of Preference Program, but implemented the separately-adopted business re-entry policies and directly provided replacement housing to lower income displaced residents. Accordingly, the Certificate of Preference Program is only one means by which the Agency has fulfilled its statutory obligations to provide displaced persons with a priority in the renting or buying of property.

This Property Owner and Occupant Preference Program, as amended and restated, ("Amended and Restated Program") codifies and clarifies recent amendments that the Agency Commission authorized in Agency Resolution No. 57-2008 (June 3, 2008).[9] These amendments include extending the duration of certain residential certificates, expanding the housing opportunities for certain displacees who did not receive certificates at the time of displacement because they were not then eligible, e.g., minor children and adults who were not heads of the household, revising the appeals process when the Agency denies a certificate, providing an enhanced education and outreach program to identify displacees, and reaffirming existing policies that only persons displaced by Agency action are eligible for a certificate and that a displacee may establish eligibility even though his or her name does not appear on Agency records.

In addition, the Agency Commission authorized Agency staff to continue exploring the future expansion of the certificate program to certain persons who did not live in the household at the time of displacement, but who may be the grandchildren of the original displaced heads of household, i.e., children of the persons who were children themselves at the time of displacement. The Agency

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[5] California Health and Safety Code, Section 33339.5 (Reentry in business in redeveloped areas); California Health and Safety Code, Section 33411.3 (Availability of low- and moderate-income units to displaced persons of low- and moderate-income).
[6] See List of Separately-Adopted Business Preference and Re-Entry Policies, attached as Exhibit 1.
[7] The Stockton-Sacramento Redevelopment Project Area expired in 2004; under the terms of the then-existing Property Owner and Occupant Preference Program, certificates of preference from that project area expired two years later in 2006.
[8] The Rincon Point-South Beach Redevelopment Project Area also has its own Certificate of Preference Program. Property owner and occupant re-entry preference program for the Rincon Point-South Beach Redevelopment Project Area, Agency Resolution No. 330-1980 (Oct. 28, 1980).
[8] Agency Resolution No. 57-2008 is attached as Exhibit 2.

Commission did not authorize an immediate expansion of the certificate program to include these “grandchildren;” rather it directed Agency staff to continue investigating, among other things, the feasibility of expanding eligibility in light of the supply of affordable housing and the ability of the Agency to meet existing demand. When Agency staff completes its review of the issues associated with the “grandchildren” expansion, it will make appropriate amendments to the program.

This Amended and Restated Program is divided into two separate sections: a program of preference for residential displacees and another program for business displacees. The residential program applies to all existing project areas, but has special provisions for certain project areas affected by urban renewal. The business program applies only to certain existing project areas that do not have a separately-adopted business re-entry policy, namely the Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan), and Bayview Industrial Triangle Redevelopment Project Areas. In all other project areas, separate re-entry policies remain in effect and are not affected by this Amended and Restated Program.

II. RESIDENTIAL CERTIFICATE OF PREFERENCE PROGRAM.

A. Purpose.

1. To give certain preferences in consideration for housing to persons displaced by Agency action or action on behalf of the Agency. For purposes of these standards under the Residential Certificate of Preference Program, "Agency" refers not only to the Redevelopment Agency of the City and County of San Francisco, but also to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or OCII).

2. To give enhanced preferences in consideration for housing opportunities to those persons affected by urban renewal programs in the Western Addition A-2 and Hunters Point (Area A of the Bayview Hunters Point Redevelopment Plan (the "Urban Renewal Project Areas").

3. To implement, for all project areas, statutory requirements under the Community Redevelopment Law (Health & Safety Code § 33411.3) requiring the Agency to give priority to displaced low- and moderate-income households in Agency-assisted housing and in other housing for low- and moderate-income households.

4. To supplement other rights and benefits that may be available to displaced persons, such as relocation benefits under the Relocation Assistance and Property Acquisition Guidelines, 25 Cal. Code of Regulations, Sections 6000 <u>et seq.</u>

B. Definitions.

1. "Agency-Assisted Housing Units" means those units that the Agency must make available to displaced persons under Section 33411.3 of the Health and Safety Code, i.e., low- or moderate-income housing units developed (i) with any Agency assistance, (ii) pursuant to Section 33413 of the Health and Safety Code, or (iii) in any redevelopment project area.

2. "Certificate" or "Certificate of Preference" is Agency documentation that a person or business is eligible for a preference described in this Program.

3. "Displaced Person" means a person who was a legal occupant of a building and who permanently moved him or herself from the property as a result of acquisition of the property (i) by the

Agency, (ii) by a private entity under contract with or on behalf of the Agency, or (iii) as a result of receipt of a notice of intention to acquire by the Agency. Displaced person also includes a person who moves as a result of the rehabilitation, demolition, or other displacing activity that the Agency or any person having an agreement with or acting on behalf of the Agency undertakes of real property on which the person is in lawful occupancy. A Displaced Person may be an owner or a tenant in lawful occupancy of the property from which he/she was displaced.

4. "Residential A Certificate Holder" means a Displaced Person who lived in an Urban Renewal Project Area and who is eligible to receive a Certificate of Preference based either: (i) on his or her status as a head of household at the time of displacement, or (ii) on his or her intent to live separate and apart from the household after displacement; and whose name appears on Agency records, e.g., the Site Occupant Record.

5. "Residential C Certificate Holder" means a Displaced Person who lived in an Urban Renewal Project Area and who is eligible to receive a Certificate based on his or residency in a household at the time of Agency displacement, but who was ineligible for a Residential A Certificate of Preference. To qualify for a Residential C Certificate, the person's name must appear on the Agency's Site Occupant Record for a dwelling unit or the person must be able to prove, to the reasonable satisfaction of the Agency, that he or she resided in the household at the time of displacement.

6. "Residential G Certificate Holder" means a Displaced Person a) who is the head of household or who demonstrates to the reasonable satisfaction of the Agency that he or she intends to live separate and apart from the household after displacement; b) who lived in the City and County of San Francisco other than an Urban Renewal Project Area at the time of displacement; and c) who has not been provided by the Agency with permanently affordable replacement housing in an Agency-Assisted Housing Unit.

7. "Residential Certificate" means Agency documentation that a person is eligible for a Residential A, C, or G Certificate.

8. "Residential Certificate of Preference Holder" or "Residential Certificate Holder" means all classes of residential certificate holders, i.e., Residential A, C, and G Certificate Holders.

9. "Site Occupant Record" means the Agency's record of the occupants of a building at the time of Agency displacement. The

Agency or a designated agent of the Agency is responsible for completing the Site Occupancy Record ("SOR") for each displaced household.

10. "Urban Renewal Project Area" means the Western Addition A-2 or Hunters Point (i.e., Area A of the Bayview Hunters Point Redevelopment Project Area) Redevelopment Project Areas.

11. "Used" means a) in the case of a rental or purchase of a cooperative share, means the execution of a lease or rental agreement; or b) in the case of a purchase, the execution of a deed by the Agency or a third party pursuant to an agreement with the Agency requiring priority in sales to Certificate Holders.

C. Use of Residential Certificates.

A Residential Certificate entitles a Displaced Person, in accordance with the California Health and Safety Code Section 33411.3, to receive a priority in the renting or buying of an Agency-Assisted Housing Unit, subject to the following conditions:

1. The Displaced Person must meet the income eligibility and other requirements for the Agency-assisted housing unit.

2. Residential Certificate Holders are eligible to use a Certificate to receive a priority: 1) in the renting of, or buying of a cooperative share in, Agency-Assisted Housing Unit; and 2) in the buying of an Agency-Assisted Housing Unit. All classes of Residential Certificate Holders thus have the opportunity to exercise the Certificate twice: once for a rental or cooperative share opportunity and again for a homeownership opportunity, provided, however, that a person who is otherwise eligible for a Residential G Certificate Holder is not eligible for a Certificate if the Agency has provided the displaced household with affordable housing in an Agency-Assisted Housing Unit.

3. Residential Certificate Holders have the above-described preferences for the renting or buying of Agency-Assisted Housing Units in the following descending order of priority, provided, however, that a redevelopment plan or Agency Commission action may change this order of priority for a particular project area or project:

   a. A Displaced Person with the earliest date of displacement.

b. A Displaced Person seeking to use a Certificate for a housing development in the Project Area from which the person was displaced.

c. A Displaced Person seeking to use a Certificate for a housing development either in a Project Area from which the person was not displaced or in any other part of the City.

4. The Certificate entitles the holder to preferential consideration only; the Residential Certificate Holder must still meet the otherwise applicable selection criteria on which the owner/agent shall make the final decision.

D. Exercising Certificate Opportunities.

1. As described in Section II.C.2 above, a Residential Certificate Holder has two opportunities to exercise a Certificate: once for rental or cooperative share opportunity and again for a homeownership opportunity. If the Residential Certificate Holder is successful in obtaining a unit through the use of the Certificate, he or she exercises (i.e., extinguishes) the right to use the Certificate for that particular type of housing, but may still use the certificate for a different tenure type.

a. In the case of a rental or cooperative share opportunity, to exercise a Residential Certificate means to secure successfully a tenancy in, or the purchase of a cooperative share in, an Agency-Assisted Housing Unit, as shown by the execution of a lease or other evidence of occupancy.

b. In the case of a homeownership opportunity, to exercise a Residential Certificate means to execute a deed and the closing of escrow for an Agency-Assisted Housing Unit.

2. A Residential G Certificate is exercised if the Agency provides the Residential Certificate Holder with affordable housing in an Agency-Assisted Housing Unit.

E. Application of Residential Certificate Program to a Particular Project.

The Agency shall require that developers and property managers of Agency-Assisted Housing Units extend preferences to Residential Certificate Holders upon initial occupancy of a housing project or upon the vacancy of previously-occupied units in the project. The terms and conditions by which the developer or property manager will implement these preferences shall be consistent with this Amended and Restated Program and shall appear in the affirmative marketing plan or similar documents for the project.

F. Duration of the Effectiveness of the Residential Certificate.

A Residential Certificate remains effective until the Residential Certificate Holder has completely exercised his or her Certificate as described in Section II. D; provided, however, that Certificates that have not been fully exercised shall be valid until the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has completed and transferred to the City and County of San Francisco the last Agency-Assisted Housing Units authorized as an enforceable obligation under Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq.

III. BUSINESS CERTIFICATE OF PREFERENCE PROGRAM.

A. Purpose.

1. To give certain re-entry preferences in consideration for business opportunities to businesses displaced by Agency action or action on behalf of the Agency.

2. To implement, for those project areas without separately-adopted business re-entry policies,[10] statutory requirements under the Community Redevelopment Law (Health & Safety Code § 33339.5) requiring the Agency to extend reasonable preferences to persons who were engaged in business in a redevelopment project area to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan.

3. To supplement other rights and benefits that may be available to displaced businesses, such as relocation benefits under the Relocation Assistance and Property Acquisition Guidelines, 25 Cal. Code of Regulations, Sections 6000 et seq.

[10] Western Addition A-2, Hunters Point (Area A of the Bayview Hunters Point Redevelopment Project Area), and the Bayview Industrial Triangle Redevelopment Project Areas.

B. Definitions.

1. "Business Occupant" means: 1) the owner or renter of a building that was situated on real property in the Western Addition A-2, Hunters Point, or Bayview Industrial Triangle Redevelopment Project Areas and that was acquired by the Agency after the date of (i) the adoption of the redevelopment plans or (ii) the receipt of funds for acquisition of property for these project areas, whichever date occurred earlier; or 2) a tenant engaged in business in a building whose owner entered into an Owner Participation Agreement with the Agency to extensively rehabilitate the property and the tenant received the Agency's Notice of Displacement that was required under the then-applicable federal regulations. Acquisition by the Agency includes both purchase and acquisition by eminent domain/condemnation.

2. "Business Certificate of Preference Holder" means a Business Occupant who was engaged in business in a building at the time the Agency acquired the property. To be eligible for a Business Certificate of Preference, a property owner must have been the owner of record that executed the grant deed to the Agency or the owner of record in the eminent domain at the time the Agency acquired the property. If the property owner was a corporation, partnership or other legal entity, the Certificate will be listed in the corporation or the partnership's name. If there was more than one owner of record, only one certificate will be issued.

3. "Certificate" or "Certificate of Preference" is Agency documentation that a person or business is eligible for a preference described in this Program.

4. "Displaced Business" means a person who was a legal occupant of a building and who permanently moved his or her business from the property as a result of acquisition of the property (i) by the Agency, (ii) by a private entity under contract with or on behalf of the Agency, or (iii) as a result of receipt of a notice of intention to acquire by the Agency. Displaced business also includes a person who moves as a result of the rehabilitation, demolition, or other displacing activity that the Agency or any person having an agreement with or acting on behalf of the Agency undertakes of real property on which the person is in lawful occupancy. A Displaced Person may be an owner or a tenant in lawful occupancy of the property from which he/she was displaced.

C. Use of Business Certificates.

The Business Certificate Program applies only to the Western Addition A-2, Hunters Point, and Bayview Industrial Triangle Redevelopment Project Areas. Other redevelopment project areas have separate business re-entry and preference policies that implement Section 33339.5 of the California Health and Safety Code.[11]

1. Agency-Owned Property.

The Agency may offer property that it owns for purchase and development. The Agency selects developers of such parcels based on the extent to which the proposed development serves the needs of the Project Area and the City and County of San Francisco and satisfies the requirements of the request for proposals/ qualifications, if any. The Agency may extend preferences to Business Certificate Holders who were displaced from the project area in which the Agency-owned property is located. The major factors for evaluating proposals will include:

a. Economic feasibility of the proposal.

b. The financial capacity of the developer and the demonstrated ability of the development design team.

c. The ability of the developer to proceed expeditiously with development of the site.

d. Architectural quality and degree of compliance with design objectives of the offering.

e. Other factors included in the offering.

When the Agency determines that proposals from applicants with Business Certificates and from those without Business Certificates are substantially equivalent, the Agency shall give preference to the proposal associated with the Business Certificate.

2. Rehabilitated Structures.

In the event the Agency acquires structures for rehabilitation, the Agency may sell these structures to the Business Certificate Holder who has the highest qualified bid, who complies with the terms of offering, and who was displaced from the project area in which the rehabilitated structure was located; provided, however that these

[11] See List of Separately-Adopted Business Preference and Re-Entry Policies, attached as Exhibit 1.

Business Certificate Holders will not receive a preference in bidding on a residential rehabilitation offering unless there are at least two units and the property will be used to engage in business; and provided further that a Business Certificate of Preference Holder may not use priority to bid on rehabilitation offering if the intended use is for private residency.

3. Privately-Owned Commercial Space.

A Business Certificate only entitles the Business Certificate Holder who desires to rent business space from a private property owner to a preferential consideration if the space meets the requirements of the redevelopment plan and if the Agency has required the owner to provide a preference to Business Certificate Holders who were displaced from the project area in which the privately-owned commercial space is located. The owner of the business space makes the final determination on the business mix, rental rates and terms and conditions.

4. Priority of Business Certificates.

Business Certificate Holders have the above-described preferences; provided, however, that a redevelopment plan or Agency Commission action may change or eliminate the priority for a particular project area or project; and provided further that in situations where the Agency or private property owner receives applications from multiple Business Certificate Holders having equal qualifications, the Business Certificate Holder with the earliest date of displacement from the project area in which the business opportunity is located will receive priority.

D. Timing of Eligibility Determination.

When a Business Certificate is to be used for priority in preferential offerings, eligibility must be established and a certificate issued prior to the bid opening or the specified deadline for the development proposal.

E. Use of Business Certificates by Partnerships or Corporations.

1. A partnership or corporation in which a Business Certificate Holder has an ownership interest, may use the Certificate in the purchase of property provided:

a. The Business Certificate Holder owns outright, fifty-one percent (51%) or more of the partnership or corporation. If two or more Certificate Holders have an ownership interest in the partnership or corporation, the total percentages of ownership held by all the certificate holders must be at least 51%. In the event such partnership or corporation uses the certificate, each certificate holder, regardless of percentage of ownership, shall be deemed to have exercised his or her certificate.

b. The fifty-one percent (51%) or more ownership interest was not funded by a loan from the partnership, corporation, or any member or shareholder thereof and the Business Certificate Holder so declares in writing under penalty of perjury if required by the Agency.

c. The Business Certificate Holder must sign a non-collusion affidavit if persons other than Business Certificate Holders own the partnership or corporation.

d. The Business Certificate Holder shall not intend to sell his or her interest in the corporation or partnership at the time the Certificate is used and the Certificate Holder shall so declare in writing under penalty of perjury, if required by Agency.

e. The Business Certificate Holder shall not sell his or her interest in the corporation or partnership unless the Agency has issued a certificate of completion of new improvements and/or rehabilitation and the transfer or assignment complies with Agency anti-speculation restrictions or other conditions limiting transfer.

F. Limitations on Use of Certificate.

Business Certificate Holders may only use the Certificate. The Business Certificate of Preference cannot be used by any other person than the named recipient.

G. Exceptions to Preference.

The Agency may authorize an offering or commercial space that does <u>not</u> give priority to Certificate Holders, but the authorization must clearly state that the Agency will not require preferences to holders of Business Certificates. However, persons who have, or are eligible to have, a certificate and who are successful in responding to a special disposition offering, either individually, jointly, or as members of a partnership or corporation, will be deemed to have exercised their certificate if they hold the minimum percentage of ownership specified in the special disposition.

H. Duration of the effectiveness of the Certificate.

Business Certificates shall be valid until two years after the completion of the Project Area from which the business was displaced.

IV. APPLICATION FOR AND NON-TRANSFERABILITY OF CERTIFICATES.

Application for all Certificates of Preference must be made to the Agency. A Certificate is not transferable voluntarily, by inheritance, by operation of law, or otherwise. A Certificate applicant is not entitled to certificate priorities until a Certificate has actually been issued. When a Certificate is requested and proof of eligibility cannot be established by Agency records, the burden shall be upon the applicant to supply the Agency with the necessary documentation.

V. REVIEW AND APPEALS PROCEDURE.

A. Persons and Entities Entitled to Reconsideration ("Complainants"). A person or business who is denied a Certificate of Preference may seek reconsideration of the Agency's decision within thirty days of receipt of the Agency's written determination of denial by filing a written statement explaining the basis for the person's eligibility for a Certificate of Preference. If a person has not received a written determination from the Agency within a reasonable period of time following the filing of an application for a Certificate of Preference, that person may also file for a reconsideration under this Section.

B. Informal Settlement. The Agency shall schedule, within sixty (60) days of receipt of a request for reconsideration, an informal settlement meeting with the complainant to consider the request for reconsideration. At the meeting, the complainant shall personally present, to the Agency, any documentation or other information justifying the person's eligibility for a Certificate of Preference under these Rules. The purpose of the meeting is to discuss the matter informally and attempt to settle without an appellate hearing. The Agency will prepare a summary of such informal discussion (the "Summary Statement") no later than thirty (30) days from the date of the last meeting. The Summary Statement will specify the names of the participants, dates of meeting, the Agency's decision regarding the complainant's eligibility for a Certificate of Preference, and will specify the procedure by which an appellate hearing may be obtained if the complainant is not satisfied. The Summary Statement shall either be delivered personally to the complainant or sent by regular mail to the complainant's address or such other address as the complainant specifies.

C. Procedures to Obtain Administrative Review. A person that has received a Summary Statement affirming the Agency's denial of a Certificate of Preference may petition for administrative review ("Petitioner"). The Petitioner must submit a written request for administrative review to the Agency's Deputy Executive Director of Housing or his or her designee within fourteen (14) days from the date of the Summary ("Petition"). The Petition must provide the specific facts on which the complainant relies to establish eligibility for a Certificate of Preference.

D. Hearing Officer. A neutral hearing officer shall conduct the administrative review. The hearing officer may not be a person who approved the decision to deny the Certificate of Preference or a subordinate of that person. As of the date of these amended rules, the Agency intends to use the Administrative Law Judges of the San Francisco Residential Rent Stabilization and Arbitration Board to review these matters.

E. Scheduling of Hearing. The Hearing Officer shall hold the hearing within forty-five (45) days of the date of the filing of the Petition. The Agency shall ensure that written notice, by mail, of the date, time and place of the hearing is given at least ten (10) days prior to the date of the hearing. This notice shall also include these procedures governing the hearing.

F. Postponements.

(a) The Hearing Officer may grant a postponement of a hearing only for good cause and in the interest of justice.

(b) "Good cause" shall include, but is not limited, to the following:

(1) the illness of a party, an attorney or other authorized representative of a party, or a material witness of a party;

(2) verified travel outside of San Francisco scheduled before the receipt of notice of the hearing; or,

(3) any other reason which makes it impractical to appear on the scheduled date due to unforeseen circumstances or verified pre-arranged plans which cannot be changed. Mere inconvenience or difficulty in appearing shall not constitute "good cause."

(c) Parties may agree to a postponement at any time. Where the parties have agreed to a postponement, the Hearing Officer shall be notified in writing at the earliest date possible.

(d) Requests for postponement of a hearing must be made in writing at the earliest date possible, with supporting documentation attached. The person requesting a postponement should notify the other parties of the request and provide them with any supporting documentation.

G. Absence of Parties.

If a party fails to appear at a properly noticed hearing or fails to file a written excuse for non-appearance prior to a properly noticed hearing, the Hearing Officer may, as appropriate: continue the case, decide the case on the record in accordance with these rules; dismiss the case with prejudice; or proceed to a hearing on the merits.

H. Conduct of Hearing.

(a) Oral evidence shall be taken only on oath or affirmation.

(b) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him or her to testify; and to rebut the evidence against him or her. If a party does not testify in his or her own behalf he or she may be called and examined as if under cross-examination.

(c) The hearing need not be conducted according to technical rules relating to evidence and witnesses, except as hereinafter provided. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. In the absence of a timely and proper objection, relevant hearsay evidence is admissible for all purposes. Proffered hearsay evidence to which timely and proper objection is made is admissible for all purposes, including as the sole support for a finding, if (a) it would otherwise be admissible under the rules of evidence applicable in a civil action or (b) the Hearing Officer determines, in his or her discretion, that, based on all the circumstances, it is sufficiently reliable and trustworthy. The rules of privilege shall be effective to the extent that they are otherwise required by statute to be recognized at the hearing, and irrelevant and unduly repetitious evidence shall be excluded.

I. Burden of Proof. In any proceeding before the Hearing Officer, the Petitioner shall have the burden of proving that he or she meets the eligibility requirements for a Certificate of Preference under these Rules.

J. Stipulations. The parties, by stipulation in writing filed with the Hearing Officer, may agree upon the facts or any portion thereof involved in the hearing. The parties may also stipulate as to the testimony that would be given by a witness if the witness were present. The Hearing Officer may require additional evidence on any matter covered by stipulation.

K. Record of Proceedings. All proceedings before the Hearing Officer shall be recorded by tape or other mechanical means.

L. Personal Appearances and Representation by Agent. In any proceeding before the Hearing Officer, each party may appear personally or by an attorney, or by a representative designated in writing by the party, other than an attorney.

M. Decisions of the Hearing Officer. The Hearing Officer shall make written findings of fact and a written decision as to whether the Petitioner is eligible for a Certificate of Preference. A copy of the decision will be sent to the Petitioner and the Agency.

(a) The decision of the Hearing Officer to issue a Certificate of Preference shall be binding on the Agency, and the Agency shall promptly issue a Certificate of Preference consistent with the Hearing Officer's decision.

(b) A decision by the Hearing Officer that the Petitioner is not entitled to a Certificate of Preference shall not affect any rights the Petitioner may have to a trial de novo or judicial review in any judicial proceedings which may thereafter be brought in the matter.

VI. OUTREACH.

The Agency shall provide outreach to persons who are potentially eligible Residential Certificate Holders. The Agency shall also provide education to Residential Certificate Holders on how to exercise a Certificate and information on location of the opportunities to exercise a Certificate for rental or ownership housing.

VII. REPORTING.

Agency staff shall annually report to the Agency Commission on the status of the Residential Certificate Program including but not limited to the number of outstanding certificates, the number of Residential Certificate Holders for which the Agency currently has addresses, the number of new certificates issued, and the number of Residential Certificate Holders exercised in the past 12 months to purchase or rent new housing.

VIII. PRIOR CERTIFICATES; EFFECTIVE DATE OF PROGRAM.

A. All non-exercised, validly issued Certificates issued prior to the effective date of this program shall be honored. However, this Amended and Restated Program shall govern the manner of exercising and prioritizing.

B. The effective date of this Amended and Restated Program, as amended is January 1, 2021.

IX. AMENDMENTS TO CERTIFICATE PROGRAM.

The Agency Commission or the Executive Director may amend, from time to time, this Amended and Restated Certificate Program.

LIST OF SEPARATELY-ADOPTED BUSINESS PREFERENCE AND RE-ENTRY POLICIES

Business Occupant Re-Entry Policy, Bayview Hunters Point Redevelopment Project, Agency Resolution No. 34-2006 (March 7, 2006);

Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Transbay Redevelopment Project, Agency Resolution No. 17-2005 (Jan. 25, 2005);

Amended Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business occupants for the South of Market Redevelopment Project, Agency Resolution No. 150-2005 (Oct. 4, 2005);

Business Reentry Preference Program for the Mission Bay North Redevelopment Project Area, Agency Resolution No. 187-98 (Sept. 17, 1998);

Business Reentry Preference Program for the Mission Bay South Redevelopment Project Area, Agency Resolution No. 192-98 (Sept. 17, 1998);

Business Occupant Re-Entry Preference Program, Hunters Point Shipyard Redevelopment Project, Agency Resolution No. 93-97 (June 17, 1997);

Property owner and occupant re-entry preference program for the Rincon Point-South Beach Redevelopment Project Area, Agency Resolution No. 330-1980 (Oct. 28, 1980);

Rules for Business Preference and Reentry for the Butchertown Redevelopment Project ("India Basin"), Agency Resolution No. 238-1968 (Dec. 10, 1968)

Special Assistance Available to Businesses and Industries and Business Preference Rules for the Yerba Buena Center Redevelopment Project Area D-1, Agency Resolution No. 108-1965 (Aug. 17, 1965)