

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 09-2021

AUTHORIZING AN EXCLUSIVE NEGOTIATIONS AGREEMENT WITH TRANSBAY2 FAMILY, L.P., A CALIFORNIA LIMITED PARTNERSHIP AND TRANSBAY 2 SENIOR, L.P., A CALIFORNIA LIMITED PARTNERSHIP, FOR THE DEVELOPMENT OF APPROXIMATELY 254 AFFORDABLE RENTAL HOUSING UNITS, AND APPROXIMATELY 11,650 SQUARE FEET OF COMMERCIAL SPACE, INCLUDING SPACE FOR A CHILD CARE FACILITY AT TRANSBAY BLOCK 2; ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; PROVIDING NOTICE THAT THIS ACTION IS WITHIN THE SCOPE OF THE TRANSBAY REDEVELOPMENT PROJECT APPROVED UNDER THE TRANSBAY TERMINAL/CALTRAIN DOWNTOWN EXTENSION/REDEVELOPMENT PROJECT FINAL ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT (“FINAL EIS/EIR”), A PROGRAM EIR, AND IS ADEQUATELY DESCRIBED IN THE FINAL EIS/EIR FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA

WHEREAS, In furtherance of the objectives of the Community Redevelopment Law of the State of California (“CRL”), the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) undertook a program to redevelop and revitalize blighted areas in San Francisco and in connection therewith adopted a redevelopment project area known as the Transbay Redevelopment Project Area(the “Project Area”); and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) approved a Redevelopment Plan for the Project Area by OrdinanceNo. 124-05, adopted on June 21, 2005, and by Ordinance No. 99-06, adopted on May 9, 2006, filed in the Office of the Recorder of the City and County of San Francisco (“Official Records”) as Document No. 2006-I224836, as amended by Ordinance No. 84-15 (June 18, 2015)) as Document No. 2015-K135871, and as amended by Ordinance No. 62-16 (April 19, 2016) as Document No. 2016- K333253, and as it may be amended from time to time (“Redevelopment Plan”); and,

WHEREAS, The Redevelopment Plan establishes the land use controls that the Successor Agency applies in the Project Area. The Redevelopment Plan divides the ProjectArea into two subareas: Zone One in which the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (2005) (“Development Controls”) define land uses, and Zone Two in which the San Francisco Planning Code applies; and,

- WHEREAS, In 2003, the Transbay Joint Powers Authority (“TJPA”), the City and County of San Francisco (“City”), and the State of California (“State”), entered into a Cooperative Agreement setting forth the process for the transfer of certain State-owned parcels in the Project Area to the City and the TJPA. Also in 2003, the California Legislature enacted Assembly Bill No. 812 (Statutes 2003, chapter 99), codified at Cal. Public Resources Code § 5027.1 (the “Transbay Affordable Housing Obligation”), which requires that thirty-five percent (35%) of new housing developed in the Project Area shall be affordable to low- and moderate- income households. In 2005, the TJPA and the Former Agency entered into the Transbay Redevelopment Project Implementation Agreement (“Implementation Agreement”) which incorporates the Transbay Affordable Housing Obligation and requires the Successor Agency to prepare and sell certain formerly State- owned parcels and to construct and fund new infrastructure improvements (such as parks and streetscapes) and to meet affordable housing obligations; and,
- WHEREAS, In 2008, the TJPA, the City and the Former Agency entered into an Option Agreement, which sets forth the process for the transfer to the Former Agency of certain of the State-owned parcels, including a portion of Transbay Block 2 that was a State-owned parcel (the “Option Agreement”); and,
- WHEREAS, On February 1, 2012, the State of California dissolved all redevelopment agencies including the Former Agency, by operation of law pursuant to California Health and Safety Code Section 34170 et seq. (“Redevelopment Dissolution Law”). Under the authority of the Redevelopment Dissolution Law and San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency is administering the enforceable obligations of the Former Agency. The Redevelopment Plan, Development Controls (defined below), and other relevant Project Area documents remain in effect and Successor Agency retains all affordable housing obligations in the Project Area; and,
- WHEREAS, Redevelopment Dissolution Law authorizes successor agencies to enter into new agreements if they are “in compliance with an enforceable obligation that existed prior to June 28, 2011.” Cal. Health & Safety Code § 34177.5(a). On April 15, 2013, the California Department of Finance (“DOF”) finally and conclusively determined that the Implementation Agreement and its incorporation of the Transbay Affordable Housing Obligation are continuing enforceable obligations of the Successor Agency under Redevelopment Dissolution Law. DOF has confirmed that “any sale, transfer, or conveyance of property related to [the Transbay Final and Conclusive Determination] is authorized.” Email from Justyn Howard, Assistant Program Budget Manager, DOF, to Tiffany Bohee, Executive Director, Successor Agency (September 10, 2013, 09:17 am); and,

WHEREAS, On June 22, 2020, OCII issued a Housing Development Request for Proposals (the “RFP”) seeking proposals, under current zoning, to develop, own, and operate mixed-use affordable rental family and senior housing, including units set-aside for formerly homeless family and senior households at Transbay Blocks 2 East and West (the “Site”). In addition, the RFP asked respondents to consider an approach for rezoning the Site to increase the building height on either or both Block 2 East and Block 2 West; and,

WHEREAS, An evaluation panel comprised of OCII staff, City staff, and a member of the Transbay Citizens Advisory Committee recommended the proposal from the team led by Mercy Housing California (“Mercy”) and Chinatown Community Development Center (“CCDC”) to develop the Site. The proposal from Mercy and CCDC included, among other things, a comprehensive design that activated the ground floor with retail and child care space, thoroughly assessed financial feasibility of developing the Site, and emphasized services specific to the populations to be served. The proposal stated that Mercy and CCDC “will enter into a joint venture to develop Transbay Block 2, with [Mercy] being the lead developer and the point of communication for the development team with OCII, and CCDC will be the co-developer.” Mercy will be the lead organization to develop, own, and operate a mixed-use rental housing project serving low-income families and formerly homeless families (the “Family Project”) on the eastern portion of the Site (the “Block 2E Site”), while CCDC would be the lead organization to develop, own, and operate a mixed-use housing project serving low-income seniors and formerly homeless seniors (the “Senior Project”) on the western portion of the Site (the “Block 2W Site”). In addition, Mercy’s role would include overall site coordination and the initial lease-up and ongoing management of commercial spaces in both the Family Project and Senior Project; and,

WHEREAS, The preliminary proposed development program for the Site includes a total of 254 affordable rental housing units and approximately 11,650 square feet of commercial space in two separate buildings, a mid-block pedestrian mews and related streetscape improvements (the “Block 2 Project”). The proposal for the Family Project currently consists of 101 total housing units, including one manager’s unit, that will be comprised of 36 one-bedroom units, 36 two-bedroom units, and 29 three-bedroom units. Affordable units will be provided at a range of income levels, and 20% of the units will be set-aside to serve formerly homeless families, subsidized by the San Francisco Local Operating Subsidy Program. The Family Project will include resident serving amenities as well as space for a childcare center, and ground floor retail. The total number of units in the Family Project may increase as Mercy will study different massing and financing scenarios to maximize affordable housing at various heights. The proposal for the Senior Project consists of 153 total housing units, including 152 affordable units and one manager’s unit. Affordable units will be provided at a range of income levels and will be comprised of 35 studio units and 117 one-bedroom units. The Senior Project will also include 20% of the units set-aside to serve formerly homeless senior households. The Senior Project will include resident serving amenities as well as ground floor retail space; and,

- WHEREAS, Mercy has formed a single-purpose entity, Transbay 2 Family, L.P., a California limited partnership (“Family Project Developer”), to undertake construction and financing of the Family Project and CCDC has formed a single-purpose entity, Transbay 2 Senior, L.P., a California limited partnership (“Senior Project Developer”), to undertake construction and financing of the Senior Project (together, the “Co-Developers”); and,
- WHEREAS, On January 11, 2021, in accordance with the Option Agreement and the Agreement for Purchase and Sale of Real Estate by and between the TJPA and Successor Agency, the TJPA conveyed to OCII real property including the Site. OCII and Co-Developers will undertake a merger and re-subdivision of this real property that will result in two parcels for ground lease and development of the Family Project and the Senior Project, respectively, with related uses in accordance with OCII's enforceable obligations under the Implementation Agreement; and,
- WHEREAS, Mercy and CCDC have executed and provided to OCII a Joint Development Agreement dated as of March 30, 2021 that defines the roles and responsibilities of Mercy and CCDC in developing the Block 2 Project; and
- WHEREAS, The Co-Developers desire to enter into and execute an exclusive negotiations agreement (the “ENA”), a copy of which, in substantially final form, is attached hereto. The ENA’s key components include: a \$10,000 performance deposit; an initial term through September 6, 2023 (with up to a twelve-month extension, granted at the discretion of the OCII Executive Director); a Schedule of Performance that includes performance milestones; and a form of Option to Ground Lease. The ENA is anticipated to lead to long-term ground leases for each the Block 2E Site and the Block 2W Site; and,
- WHEREAS, The Co-Developers each desire to enter into and execute separate loan agreements and promissory notes (the “Predevelopment Loans”), copies of which, in substantially final form, are attached to separate resolutions for Commission consideration along with this Resolution. The Predevelopment Loans will provide funding in an amount not to exceed \$3,500,000 each (for a total of \$7,000,000) for predevelopment work associated with the construction of the Block 2 Project; and,
- WHEREAS, OCII’s remaining discretionary approvals for the Block 2 Project include review of design documents and approval of permanent financing and ground lease agreements with the Co-Developers; and,
- WHEREAS, Under Redevelopment Dissolution Law, OCII must transfer completed affordable housing assets to the Mayor’s Office of Housing and Community Development (“MOHCD”) as the Housing Successor designated under Board of Supervisors Resolution No. 11-12 (January 26, 2012) and Section 34176 of the California Health and Safety Code. Upon completion of the Block 2 Project, OCII will transfer the affordable housing loan agreements, assets, and Ground Leases to MOHCD; and,

- WHEREAS, On April 20, 2004, the Commission of the Former Redevelopment Agency of the City and County of San Francisco (“Former Agency Commission”) adopted Resolution No. 45-2004, certifying the Final Environmental Impact Statement/Environmental Impact Report (the “FEIS/EIR”) for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project, which included the Redevelopment Plan. On January 25, 2005, the Former Agency Commission adopted Resolution No. 11-2005, adopting findings under the California Environmental Quality Act (“CEQA”), a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors and the City Planning Commission adopted similar findings; and,
- WHEREAS, The FEIS/EIR includes by reference a number of addenda. A total of eight addendato the FEIS/EIR were adopted between June 2, 2006 and January 19, 2016; and,
- WHEREAS, The FEIS/EIR is a program environmental impact report (“EIR”) under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. The FEIS/EIR is also a project EIR under CEQA Guidelines Section 15161 for certain structures and facilities. The FEIS/EIR analyzed the development of residential, retail and public open space uses including new streets, on the Transbay Blocks 2, 3, and 4, in accordance with the Redevelopment Plan and the Transbay Redevelopment Project Area Design for Development document. The FEIS/EIR contemplated the Former Redevelopment Agency’s disposition of the publicly-owned Transbay Blocks 2, 3, and 4 for the development of private and public uses, including residential and retail uses on Blocks 2 and 4, the extensionsof Clementina and Tehama Streets, and a public open space on Block 3; and,
- WHEREAS, OCII staff has reviewed the ENA and finds that the proposed action to develop affordable housing on the Site is an Implementing Action within the scope of the project analyzed in the FEIS/EIR and subsequent addenda and that therefore no additional environmental review is required pursuant to California Public Resources Code Section 21166 and Sections 15162, 15163, 15168, and 15180 of the CEQA Guidelines; and,
- WHEREAS, OCII staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FEIS/EIR and addenda, has made documents related to the Implementing Action, the FEIS/EIR, and addenda available for review by the Commission and the public, and these files are part of the record before the Commission; and,
- WHEREAS, The FEIS/EIR findings and statement of overriding considerations adopted in accordance with CEQA by the Former Agency Commission by Resolution No. 11-2005 dated January 25, 2005 were and remain adequate, accurate and objective andare incorporated herein by reference as applicable to the Implementing Action; nowtherefore, be it

RESOLVED, The Commission finds and determines that authorizing the Executive Director to execute the ENA for the development of the Site is an Implementing Action within the scope of the project analyzed in the FEIS/EIR and addenda and require no additional environmental review pursuant to California Public Resources Code Section 21166 and State CEQA Guidelines Sections 15180, 15168, 15162 and 15163 for the following reasons:

1. The Implementing Action is within the scope of the project analyzed in the FEIS/EIR and addenda and no major revisions are required due to the involvement of new significant environmental effects or a substantial increase in the severity of significant effects previously identified in the FEIS/EIR; and,
2. No substantial changes have occurred with respect to the circumstances under which the project analyzed in the FEIS/EIR and addenda was undertaken that would require major revisions to the FEIS/EIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FEIS/EIR; and,
3. No new information of substantial importance to the project analyzed in the FEIS/EIR and addenda has become available which would indicate that (a) the Implementing Action will have significant effects not discussed in the FEIS/EIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FEIS/EIR will substantially reduce one or more significant effects on the environment, and, be it further

RESOLVED, That the Commission authorizes the Executive Director to: (i) enter into the ENA with the Co-Developers, substantially in the form of the document approved by legal counsel for OCII; and (ii) to enter into any and all ancillary documents or to take any additional actions, including updating insurance requirements, necessary to consummate the transaction contemplated by this Resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of April 6, 2021.

Commission Secretary

Exhibit 1: Exclusive Negotiations Agreement – Transbay Block 2

EXCLUSIVE NEGOTIATIONS AGREEMENT

**Transbay Blocks 2 East and West
Transbay Redevelopment Project Area**

THIS EXCLUSIVE NEGOTIATIONS AGREEMENT (hereinafter “**ENA**”) dated as of April 6, 2021, is made by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body organized and existing under the laws of the State of California and commonly referred to as the Office of Community Investment and Infrastructure (“**OCl**” or “**Successor Agency**”) and Transbay 2 Family, L.P., a California limited partnership whose general partner is Transbay 2 Family LLC, which consists of Mercy Housing Calwest and Mercy Housing California (the “**Block 2 East Developer**”), and Transbay 2 Senior, L.P., a California limited partnership whose general partner is CCDC Transbay 2 LLC, which consists of Chinatown Community Development Center, Inc (the “**Block 2 West Developer**”, and together with the Block 2 East Developer, the “**Co-Developers**”), and their authorized successors and assigns.

THIS ENA IS MADE WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

1. In furtherance of the objectives of the Community Redevelopment Law of the State of California, the Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”) undertook a program to redevelop and revitalize blighted areas in San Francisco and in connection therewith adopted a redevelopment project area known as the Transbay Redevelopment Project Area (the “**Project Area**”).

2. The Board of Supervisors of the City and County of San Francisco (“**Board of Supervisors**”) approved a Redevelopment Plan for the Project Area by Ordinance No. 124-05, adopted on June 21, 2005, and by Ordinance No. 99-06, adopted on May 9, 2006, filed in the Office of the Recorder of the City and County of San Francisco (“**Official Records**”) as Document No. 2006-I224836, as amended by Ordinance No. 84-15 (June 18, 2015)) as Document No. 2015-K135871, and as amended by Ordinance No. 62-16 (April 19, 2016) as Document No. 2016-K333253, and as it may be amended from time to time (“**Redevelopment Plan**”).

3. The Redevelopment Plan establishes the land use controls that the Successor Agency applies in the Project Area. The Redevelopment Plan divides the Project Area into two subareas: Zone One in which the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (2005) (“**Development Controls**”) define land uses, and Zone Two in which the San Francisco Planning Code applies.

4. In 2003, the Transbay Joint Powers Authority (“**TJPA**”), the City and County of San Francisco (“**City**”), and the State of California (“**State**”), entered into a Cooperative Agreement setting forth the process for the transfer of certain State-owned parcels in the Project Area to the City and the TJPA (“**Cooperative Agreement**”). Also in 2003, the California Legislature enacted Assembly Bill No. 812 (Statutes 2003, chapter 99), codified at Cal. Public Resources Code § 5027.1 (the “**Transbay Affordable Housing Obligation**”), which requires that thirty-five percent (35%) of new housing developed in the Project Area shall be affordable

to low- and moderate-income households. In 2005, the TJPA and the Former Agency entered into the Transbay Redevelopment Project Implementation Agreement (“**Implementation Agreement**”) which incorporates the Transbay Affordable Housing Obligation and requires the Successor Agency to prepare and sell certain formerly State-owned parcels and to construct and fund new infrastructure improvements (such as parks and streetscapes) and to meet affordable housing obligations.

5. On February 1, 2012, the State of California dissolved all redevelopment agencies including the Former Agency, by operation of law pursuant to California Health and Safety Code Section 34170 et seq. (“**Redevelopment Dissolution Law**”). The Board of Supervisors, acting as the legislative body of the Successor Agency, adopted Ordinance No. 215-12 (Oct. 4, 2012), which delegated to the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure (“**Commission**”), the authority, consistent with the Redevelopment Dissolution Law, to (i) act in the place of the Former Agency Commission to, among other matters, implement, modify, enforce and complete the Former Agency’s enforceable obligations, except for material changes to obligations to provide affordable housing, which require Board of Supervisors’ approval; (ii) approve all contracts and actions related to the assets transferred to or retained by the Successor Agency, consistent with the applicable enforceable obligations; and (iii) take any actions that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and other action that the Commission deems appropriate, consistent with the Redevelopment Dissolution Law, to comply with such obligations. The Redevelopment Plan, Development Controls (defined below), and other relevant Project Area documents remain in effect and Successor Agency retains all affordable housing obligations in the Project Area.

6. Redevelopment Dissolution Law authorizes successor agencies to enter into new agreements if they are “in compliance with an enforceable obligation that existed prior to June 28, 2011.” Cal. Health & Safety Code § 34177.5(a). On April 15, 2013, the California Department of Finance (“**DOF**”) finally and conclusively determined that the Implementation Agreement and its incorporation of the Transbay Affordable Housing Obligation are continuing enforceable obligations of the Successor Agency under Redevelopment Dissolution Law. DOF has confirmed that “any sale, transfer, or conveyance of property related to [the Transbay Final and Conclusive Determination] is authorized.” Email from Justyn Howard, Assistant Program Budget Manager, DOF, to Tiffany Bohee, Executive Director, Successor Agency (September 10, 2013, 09:17 am).

7. On June 22, 2020, OCII issued a Housing Development Request for Proposals (the “**RFP**”) seeking proposals, under current zoning, to develop, own, and operate mixed-use affordable rental family and senior housing, including units set-aside for formerly homeless family and senior households, on the property commonly known as Transbay Block 2 and identified as Lot 5 on Tentative Transfer Map No. 10327 (approved by San Francisco Public Works order No. 203553) (the “**Site**”). In addition, the RFP asked respondents to consider an approach for rezoning the Site to increase the building height on either or both Block 2 East and Block 2 West.

8. An evaluation panel comprised of OCII staff, City staff, and a member of the Transbay Citizens Advisory Committee recommended the proposal from the team led by Mercy

Housing California (“**Mercy**”) and Chinatown Community Development Center (“**CCDC**”) to develop the Site. The proposal from Mercy and CCDC included, among other things, a comprehensive design that activated the ground floor with retail and child care space, thoroughly the assessed financial feasibility of developing the Site, and emphasized services specific to the populations to be served. The proposal stated that Mercy and CCDC “will enter into a joint venture to develop Transbay Block 2, with [Mercy] being the lead developer and the point of communication for the development team with OCII, and CCDC will be the co-developer.” Mercy will be the lead organization to develop, own, and operate a mixed-use rental housing project serving low-income families and formerly homeless families (the “**Family Project**”) on the eastern portion the Site (the “**Block 2E Site**”), while CCDC would be the lead organization to develop, own, and a operate a mixed-use housing project serving low-income seniors and formerly homeless seniors (the “**Senior Project**”) on the western portion of the Site (the “**Block 2W Site**”). In addition, Mercy’s role would include overall site coordination and the initial lease-up and ongoing management of commercial spaces in both the Family Project and Senior Project.

9. The overall proposed development program for the Site includes a total of approximately 254 affordable rental housing units and approximately 11,650 square feet of commercial space in two separate buildings, a mid-block pedestrian mews and related streetscape improvements (the “**Block 2 Project**”). The Family Project will provide approximately 101 total housing units, including 100 affordable units and one manager’s unit. Affordable units will be provided at a range of income levels and are currently contemplated to be comprised of 36 one-bedroom units, 36 two-bedroom units, and 29 three-bedroom units. The Family Project will include resident serving amenities as well as space for a child care center, and ground floor retail. The Senior Project will provide approximately 153 total housing units, including 152 affordable units and one manager’s unit. Affordable units will be provided at a range of income levels and are currently contemplated to be comprised of 35 studio units and 117 one-bedroom units. The Senior Project will include resident serving amenities as well as ground floor retail space.

10. The Co-Developers have formed limited partnerships for the purpose of developing the Site. The developer of the Family Project is Transbay 2 Family, L.P., a limited partnership made up of a managing general partner that is Transbay 2 Family, LLC (consisting of Mercy Housing Calwest and Mercy Housing California) and a limited partner investor to be determined. The developer of the Senior Project is Transbay 2 Senior L.P., a limited partnership made up of a managing general partner that is CCDC Transbay 2 LLC (consisting of Chinatown Community Development Center, Inc.) and a limited partner investor to be determined.

11. On January 11, 2021, in accordance with the Cooperative Agreement, the TJPA conveyed to OCII real property including the Site. OCII and Co-Developers will undertake a merger and re-subdivision of this real property that will result in two parcels for ground lease and development of the Family Project and the Senior Project, respectively, with related uses in accordance with OCII's enforceable obligations under the Implementation Agreement.

12. The Co-Developers have executed and provided to OCII a Joint Development Agreement dated as of March 30, 2021 (“**JDA**”) that defines the roles and responsibilities of Mercy and CCDC in developing the Site.

13. On April 6, 2021, the Commission adopted Resolution No. -2021 authorizing the Executive Director to execute this ENA to pursue predevelopment activities for the Block 2 Project. The ENA establishes a series of predevelopment milestones that, if completed, culminate in the execution of two separate options to ground lease, and two separate long-term ground lease agreements for: a) the Block 2E Site and, b) the Block 2W Site, each subject to a public hearing and consideration by the Commission.

14. On April 6, 2021 the Commission adopted Resolution No. -2021 authorizing the Executive Director to execute an agreement to extend a predevelopment loan to the Block 2 East Developer in an initial amount of Three Million Five Hundred Thousand Dollars (\$3,500,000.00) to fund certain costs related to the Family Project. OCII and Developer intend to execute a "**Predevelopment Loan Agreement - Family**" substantially concurrently herewith.

15. Also on April 6, 2021 the Commission adopted Resolution No. -2021 authorized the Executive Director to execute an agreement to extend a predevelopment loan to the Block 2 West Developer in an initial amount of Three Million Five Hundred Thousand Dollars (\$3,500,000.00) to fund certain costs related to the Senior Project. OCII and Developer intend to execute a "**Predevelopment Loan Agreement - Senior**" substantially concurrently herewith. (Together, the Predevelopment Loan Agreement-Family and the Predevelopment Loan Agreement-Senior are referred to as the "Predevelopment Loan Agreements.")

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, OCII and Co-Developers agree as follows:

1. Exclusive Right.

For the Exclusive Negotiations Period set forth in Section 2 below, and subject to the terms and conditions of this ENA, OCII grants to the Co-Developers the exclusive right (the "**Exclusive Right**") to pursue predevelopment activities for the construction and management of the Block 2 Project in accordance with the OCII Documents (as defined in the respective Predevelopment Loan Agreements) including the Design Review and Document Approval Procedure for Transbay Block 2 (DRDAP) substantially in the form attached hereto as Attachment 7, and negotiate ground leases for the development and operation of the Family Project and the Senior Project on the Block 2E Site and the Block 2W Site, respectively, sufficient to establish "site control" meeting the requirements of potential project lenders and the California Tax Credit Allocation Committee ("**Ground Lease**," or "**Ground Leases**"). Acknowledging that time is of the essence, OCII and Co-Developers agree to negotiate diligently and in good faith with each other concerning the subject of this Exclusive Right, and OCII agrees not to solicit any other proposals or negotiate with any other developer with respect to the subject of the negotiations set forth herein.

The Co-Developers and OCII acknowledge and agree that, under this ENA, OCII is not committing itself or agreeing to: (a) enter into any Ground Lease or undertake any exchange or transfer of real property, any disposition of any real property interests to the Co-Developers, (b) approve any land use entitlements, or (c) undertake any other acts or activities relating to the subsequent independent exercise of discretion by the Commission, OCII or any agency,

commission or department of the City. This ENA does not constitute the disposition of property or the transfer of OCII's or the City's exercise of control over the Site. However, should certain conditions be met, as described below in Section 5, this ENA allows OCII's Executive Director, in her sole discretion, to enter into Options to Ground Lease, in the form attached hereto as Attachment 4, for the Block 2E Site and Block 2W Site.

2. Term.

(a) The term of the ENA shall be from April 6, 2021 until September 6, 2023 ("**Initial Term**"), unless extended or earlier terminated pursuant to the provisions herein (the Initial Term as modified by any extension or early termination is the "**Exclusive Negotiations Period**").

(b) If not otherwise terminated in accordance with its terms, this ENA shall terminate for the Family Project upon OCII's execution of any Ground Lease for the Family Project and shall terminate for the Senior Project upon OCII's execution of any Ground Lease for the Senior Project, each as approved by the Commission.

(c) The Initial Term may be extended without further Commission action for any period up to a total of an additional 12 months beyond the Initial Term, if approved in writing by OCII's Executive Director in her sole and absolute discretion and subject to such terms and conditions as she deems reasonable in exchange for granting such extension. Such exercise of discretion by OCII to extend the Term of the ENA, shall not operate to automatically extend other performance benchmarks in the ENA. In addition, in the event that Co-Developers apply for CDLAC and/or TCAC financing in accordance with the contractual deadlines provided in their respective Predevelopment Loan Agreement but one or both is not awarded financing by CDLAC and/or TCAC, the OCII Executive Director, in her sole and reasonable discretion, may extend the deadline established in the Schedule of Performance for entering into a Ground Lease to allow either Co-Developer (or both) to reapply for up to two consecutive additional cycles of CDLAC/TCAC financing immediately following the cycle initially applied for.

3. Negotiation Deposits; OCII/City Costs.

3.1 Negotiation Deposits.

(a) In connection with its selection by the Commission as the Co-Developers of the Site, the Co-Developers have paid to OCII the cash sum of One Thousand Dollars (\$1,000) as an earnest money deposit (the "**Deposit**"). The Co-Developers will pay to OCII an additional sum of Nine Thousand Dollars (\$9,000) in cash (the "**Additional Deposit**") at the time it executes the ENA. The Additional Deposit shall be combined with the Deposit to form the performance deposit ("**Performance Deposit**"). Except as provided in Sections 3.1(b) and 3.1(c), the Performance Deposit shall be held by OCII until completion of construction of both the Family Project and the Senior Project.

(b) Subject to Section 8.4 below, if the parties fail to reach agreement on the Ground Leases despite the Co-Developers' good faith negotiations or if the Ground Leases are not approved by the Commission, executed and delivered as contemplated hereby for any reason

outside of the Co-Developers' control, and, in either instance, the Co-Developers are not in default under this ENA or the respective Predevelopment Loan Agreements and Co-Developers have been paid less than 10% of the Developer Fee (as defined in the Predevelopment Loan Agreements), then upon termination of this ENA, OCII shall within 30 days return the Performance Deposit (together with interest actually accrued thereon) to the Co-Developers.

(c) OCII shall retain the Performance Deposit, together with any and all accrued interest, if any of the following events occurs: (i) either of the Co-Developers is in default under the terms of the ENA, and has not cured such default within the period allowed and OCII, in its sole discretion, has not expressly waived such default in writing, and the ENA is terminated; or (ii) the parties fail to reach agreement because in OCII's reasonable judgment the Co-Developers are not making a good faith effort to negotiate and fulfill their obligations under this ENA, or if the Ground Leases are not approved, executed and delivered as contemplated hereby for a reason reasonably determined by OCII to be within the Co-Developers' control.

5. Obligations of the Developer.

5.1 Schedule of Performance; Scope of Development.

The Co-Developers agree to work cooperatively to coordinate pre-development activities as required by this Agreement and the JDA. The Co-Developers also agree that they shall diligently and in good faith negotiate the Ground Leases and related actions under this ENA based on the development opportunity described in the RFP, the Schedule of Performance attached as Attachment 2 hereto, and the Scope of Development attached as Attachment 3 hereto. The Co-Developers shall diligently pursue completion of milestones under the Schedule of Performance and additional benchmarks, if any, under this ENA in a timely fashion, and shall make all design submittals in accordance with the DRDAP, substantially in the form of Attachment 7. The Schedule of Performance may be modified at the request of the Co-Developers, subject to the approval of OCII in its sole discretion, so long as the modification does not exceed the applicable Exclusive Negotiations Period.

5.2 Other Obligations of Co-Developers.

(a) The Co-Developers shall be required under this ENA to comply with applicable law and policies, including the requirements of all applicable City and OCII ordinances, resolutions, regulations, the DRDAP and other OCII Documents, or other regulatory approvals with respect to the planning, design, and approvals necessary for developing the Site. These requirements include, without limitation, OCII's Small Business Enterprise Program (including, but not limited to, the selection of consultants during the pre-development period), and Prevailing Wages Provisions, Minimum Compensation Policy, and Health Care Accountability Policy.

(b) In addition, the Co-Developers shall comply with the applicable terms of the Transbay Redevelopment Plan and Development Controls and Design Guidelines, the Streetscape and Open Space Plan, and all other applicable Redevelopment Requirements and any amendments thereto. At the request of OCII and/or the City and at the Co-Developers' sole expense, which funds may come from those provided under the Predevelopment Loan Agreement, the Co-Developers shall prepare (or cause expert consultants approved by OCII to prepare) and submit all reports, studies or other information reasonably necessary to obtain

regulatory approvals, excluding privileged attorney-client communications, or confidential or proprietary information.

(c) The Co-Developers shall commit sufficient financial and personnel resources required to undertake and complete the development of the Block 2 Project at the Site as a priority project and to fulfill the Co-Developers' obligations under this ENA in an expeditious fashion.

(d) In making any entry onto the Site, neither of the Co-Developers nor any of their agents, contractors or representatives shall interfere with or obstruct the permitted, lawful use of the Site by its tenants or occupants, if any, or the conduct of their business operations thereon, except as otherwise provided in the Predevelopment Loan Agreements.

(e) The Co-Developers shall coordinate closely to conduct predevelopment activities in accordance with the requirements of this Agreement and the JDA and shall cause architects and design consultants to collaborate to prepare submittals that demonstrate a cohesive design for the Block 2 Project, particularly for the ground floor and mid-block pedestrian mews. As further specified in the JDA, Mercy shall act as lead in coordination efforts and shall take primary responsibilities for communications between the Co-Developers and OCII.

(f) The Co-Developers will prepare a commercial financing plan for OCII review and approval and will consider and recommend whether or not to establish separate legal parcels for the commercial spaces as part of the overall subdivision mapping process for the Block 2 Project. Mercy, through its affiliate Mercy Commercial California, will be responsible for developing a retail program for all of Transbay Block 2 as further specified in the JDA.

(e) The Co-Developers will work with OCII in exploring approaches to increasing the building height on either or both the Block 2E Site and the Block 2W Site for purposes of providing additional affordable housing units.

(f) The Co-Developers, with Mercy as the lead in accordance with the JDA, will work with OCII on the preparation of a demolition plan for the Site.

5.3 Indemnity.

5.3.1 To the fullest extent permitted by law, the Co-Developers shall jointly and severally hold harmless, defend at their own expense, and indemnify OCII and the Commission, the City, and their respective commissioners, officers, agents and employees (individually or collectively, an "**Indemnified Party**") against any and all losses, of every kind, nature and description directly or indirectly arising out of, or connected with Co-Developers' obligations under this ENA, except to the extent caused by the willful misconduct or the gross negligence of the Indemnified Party. For purposes of this Section, losses will include, but not be limited to:

(a) any default by the Co-Developers in the observance or performance of any of the Co-Developers' obligations under the ENA (including, without limitation, those obligations set forth in Section 5.2 above), (b) any failure of any representation by the Co-Developers to be correct in all material respects when made, (c) injury or death to persons or damage to property or other loss occurring on or in connection with the Co-Developers' activities pursuant to this ENA, caused by the negligence or any other act or omission of the Co-Developers and their officers, agents and employees, (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnified Party that relates to or arises out of the Co-Developers' performance under the ENA or the development of

the Site by the Co-Developers, or any transaction contemplated by, or the relationship between the Co-Developers and OCII under the ENA, (e) any failure of the Co-Developers or their agents or contractors to comply with all applicable environmental requirements relating to the development of the Site, or (f) any claim, demand or cause of action, or any investigation, inquiry, order, hearing, action or other proceeding by or before any governmental agency, whether meritorious or not, which directly or indirectly relates to, arises from or is based on the occurrence or allegation of any of the matters described in clauses (a) through (e) above, with the exception of any environmental contamination or violations of any applicable environmental requirements occurring prior to the date of this ENA, provided that no Indemnified Party shall be entitled to indemnification under this Section for matters caused solely by such Indemnified Party's gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnified Party by reason of a claim arising out of any loss for which the Co-Developers have indemnified the Indemnified Party, and upon written notice from such Indemnified Party, the Co-Developers shall at their sole expense answer and otherwise defend such action or proceeding using counsel approved in writing by the Indemnified Party. The Indemnified Party shall have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnified Party in connection with the matters covered by this ENA.

5.3.2 The Co-Developers shall further jointly and severally indemnify the Indemnified Party against any losses directly or indirectly resulting from release, spill or escape of Hazardous Materials (as defined below) on or about the Site caused by the Co-Developers or their agents, contractors or representatives from and after the date of this ENA; except for losses resulting from the gross negligence or willful misconduct of any of the Indemnified Parties. For purposes hereof, "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 et seq.) or under Section 25281 or 25316 of the California Health & Safety Code; any "hazardous waste" as defined in Section 25117 or listed under Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Site, or are naturally occurring substances on, in or about the Site; and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids.

5.3.3 The indemnity shall include, without limitation, the Co-Developers' joint and several obligation to pay reasonable Attorney's Fees and Costs (as defined in Section 11.7) and fees of consultants and experts, laboratory costs, and related costs, as well as the Indemnified Party's costs of investigating any loss. The provisions of this Section 5.3 shall survive the termination of this ENA.

5.4 Insurance.

Subject to approval by OCII of the insurers and policy forms, each Co-Developer must obtain and maintain, or cause to be obtained and maintained, separate insurance and bonds as set

forth in Attachment 5 (unless a single policy is approved in advance by OCII) throughout the term of this ENA at no expense to OCII.

5.5 Force Majeure

The occurrence of any of the following events shall excuse performance of such obligations of Co-Developers as are rendered impossible to perform while such event continues: acts of god; pandemic, strikes; lockouts; labor disputes; inability to obtain labor, materials or reasonable substitutes therefor; governmental restrictions (including changes in law), regulations or controls; judicial orders; enemy or hostile governmental actions; civil commotions; fire or other casualty; and other causes beyond the control of the Co-Developers. The occurrence of such events shall excuse performance only if the Co-Developers have provided written notice to OCII within thirty (30) days after the occurrence or commencement of the event of force majeure and such excuse shall terminate thirty (30) days after the termination of the event giving rise to the delay. However, under no circumstances shall this force majeure provision apply to Co-Developers' indemnification and defense obligations under Section 5.3 and/or Co-Developers' insurance obligations under Section 5.4 above.

6. Obligations of OCII.

Subject to the provisions of Section 8, OCII agrees as follows:

- (a) Subject to environmental review under the California Environmental Quality Act ("CEQA") and the National Environmental Protection Act ("NEPA"), as applicable, the public review process and all required governmental approvals, as further provided in this ENA, OCII shall use good faith efforts to diligently negotiate, prepare and submit for approval the Ground Leases.
- (b) OCII shall make available all public record studies and other documents in its possession as necessary to perform the Co-Developers' due diligence investigations of the Site, provided that OCII makes no representations or warranties whatsoever regarding the completeness or accuracy of such information and the Co-Developers must perform their own independent analysis.
- (c) OCII shall, at the reasonable discretion of its Executive Director, authorize a Permit to Enter to allow the Co-Developers and their consultants to access the Site to collect data and to perform investigations necessary in the development of project designs. The Permit to Enter will be substantially in the form attached hereto as Attachment 6.
- (d) OCII shall reasonably cooperate with the Co-Developers in the provision of information necessary for and assistance in the filing, processing and obtaining of land use entitlements and regulatory approvals, and, to the extent required by law, join with the Co-Developers as a co-applicant in the filing for such approvals, but neither OCII nor the City shall be required to satisfy any conditions for any approval, except as may be specifically agreed to by OCII, or the City, as applicable.

- (e) OCII shall, in its reasonable discretion, enter into separate Options to Ground Lease with each Co-Developer as provided in this ENA, and generally in the form attached hereto as Attachment 4, if each Co-Developer is in conformance with the obligations described in Section 5 and if such Option is necessary to secure financing for the Family Project and/or the Senior Project.

7. Non-Assignment.

OCII and the Co-Developers acknowledge and agree that OCII is entering into this ENA and granting the Exclusive Right to the Co-Developers on the basis of the particular experience, financial capacity, skills and capabilities of the Co-Developers and their members. The Exclusive Right is personal to the Co-Developers, is not assignable, and the Co-Developers shall not assign or transfer this ENA, except by the prior written consent of OCII's Executive Director, which may be given, withheld or conditioned in her sole discretion. For purposes of this Section, an assignment shall also include any dissolution, merger, consolidation or other reorganization, or any issuance, sale, assignment, hypothecation, or other transfer of legal or beneficial interests in the Co-Developers. Any transfer or assignment without the OCII Executive Director's prior written consent will be voidable and, at the election of OCII's Executive Director, constitute an Event of Default under this ENA. OCII's consent to any specific assignment or transfer will not constitute its consent to any subsequent transfer or a waiver of any of OCII's rights under this ENA.

8. Default and Remedies.

8.1 Events of Default by the Developer.

The occurrence of any of the following shall constitute an event of default, after OCII gives notice of the default specifying in reasonable detail the basis for the determination of the default:

- (a) Failure to pay any sums due under this ENA within thirty (30) days after written notice by OCII.
- (b) Failure to perform or abide by any material provision of this ENA, including a performance milestone contained in the ENA Schedule of Performance, as it may be extended.
- (c) Any material breach of any representation and warranty made by either of the Co-Developers under Section 9 or any other provision of this ENA.
- (d) Any action in violation of Section 7, which shall be, at OCII's election, an immediate Event of Default notwithstanding the provisions of Section 8.2(a), below.
- (e) Any filing of a petition to have the Co-Developer or any affiliate of Co-Developer adjudicated insolvent and unable to pay its debts as they mature or a petition for reorganization liquidation or arrangement under any bankruptcy or insolvency law, or any assignment for the benefit of creditors, or seeking appointment of a trustee, receiver, liquidator of the

Co-Developer or any substantial part of the Co-Developer's assets, if such petition is not dismissed within sixty (60) days.

- (f) The debarment or prohibition of the Co-Developer from doing business with any federal, state or local governmental agency, or any debarment or prohibition of any affiliate of the Co-Developer from doing business with any federal, state or local governmental agency to the extent such debarment or prohibition of the affiliate could affect the redevelopment of the Site as contemplated hereby.
- (g) Failure to procure or maintain any of the insurance coverage required hereunder so that there is a lapse in required coverage and such breach is not cured within two (2) days.
- (h) The occurrence of an uncured event of default under the terms of the respective Predevelopment Loan Agreements and the continuation thereof beyond any and all applicable notice and cure periods.
- (i) Failure to notify OCII of any adverse change in the financial condition of the Co-Developer that materially affects the Co-Developer's ability to complete either the Family Project or the Senior Project.
- (j) Co-Developer is in default of its obligations under any other agreement entered into with OCII or the City, and the default remains uncured following the expiration of any and all applicable notice and cure periods.

8.2 Remedies of OCII.

(a) In the event of a default by one or both of the Co-Developers, except as otherwise provided in this ENA, the defaulting Co-Developer(s) shall have thirty (30) days from the receipt of written notice from OCII to cure such default, or, if such default cannot reasonably be cured within such 30-day period, the defaulting Co-Developer(s) shall commence action to cure such failure within such 30-day period and diligently and continuously prosecute such action to completion, but in any event no longer than 90 days from the receipt of written notice from OCII to cure such default.

(b) If, after the time provided in Section 8.2(a) above, the defaulting Co-Developer(s) has not cured the default, OCII may exercise any or all of the following exclusive remedies available to it under this ENA: (i) terminating the ENA as to one or both of the Co-Developers, (ii) retaining the Performance Deposit; and/or (iii) exercising its rights under the Work Product security described below in Section 8.2 (c). If OCII chooses to terminate the ENA, OCII shall provide written notice to the Co-Developer(s) of such termination, the ENA shall be terminated as of the date of the notice, and neither party shall have any rights against or liability to the other, except those provisions that are specified to survive such termination shall remain in full force and effect.

(c) Plans, Specifications, Reports and Studies. If OCII terminates this ENA, the Co-Developers shall deliver to OCII copies of any and all drawings, plans, specifications, reports, studies, memoranda, computation sheets, document lists, plans and all including contents of any electronic files, prepared by or on behalf of one or both of the Co-Developers in connection with this ENA (the "**Work Product**"). The Co-Developer or Co-Developers, as the case may be, shall deliver the Work Product within ten (10) days after written demand from

OCII, which obligation shall survive the termination of this ENA. OCII may use the Work Product for any purpose relating to the Site, provided that OCII shall release the Co-Developers and the Co-Developers' contractors, architects, engineers and other consultants from any losses arising out of the OCII's use of such documents except to the extent that OCII retains any of them and they agree to such continued liability. The Co-Developers and OCII acknowledge that the Work Product also serves as security pursuant to the Predevelopment Loan Agreement and that the provisions of Sections 3.2 and 24.21 of the Predevelopment Loan Agreement shall govern the assignment of the Work Product to OCII.

8.3 Termination and Developer's Risk.

8.3.1. Generally.

The Co-Developers acknowledge and agree that, except as otherwise provided under the Predevelopment Loan Agreements, they are proceeding at their own risk and expense until such time as the respective Ground Leases are approved and without any assurance that the Ground Leases will be approved.

8.4 Damages.

The parties have agreed that OCII's actual damages in the event of a failure to approve, execute and deliver one or both of the Ground Leases due to a default by one or both of the Co-Developers would be extremely difficult or impracticable to determine. After negotiation, the parties have agreed that, considering all the circumstances existing on the date of this ENA, the amount of the Performance Deposit together with all accrued interest thereon, as herein provided, is a reasonable estimate of the damages that OCII would incur in such event.

IF THE PARTIES DO NOT REACH AGREEMENT ON ONE OR BOTH OF THE GROUND LEASES OR ONE OR BOTH OF THE GROUND LEASES ARE NOT APPROVED, EXECUTED AND DELIVERED AS CONTEMPLATED HEREBY DUE, IN EITHER INSTANCE, TO ANY DEFAULT BY THE ONE OR BOTH OF THE CO-DEVELOPERS UNDER THIS ENA BEYOND THE APPLICABLE CURE PERIOD, THEN, WITHOUT LIMITING ANY OF ITS OTHER REMEDIES HEREUNDER, AT LAW OR IN EQUITY, OCII SHALL BE ENTITLED TO RETAIN THE PERFORMANCE DEPOSIT, TOGETHER WITH ALL ACCRUED INTEREST THEREON, AS HEREIN PROVIDED, AS LIQUIDATED DAMAGES. BY PLACING THEIR RESPECTIVE INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS ENA WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: OCII _____ Co-Developers _____

9. Representations and Warranties of the Developer.

9.1 Representations and Warranties.

The Co-Developers individually represent, warrant and covenant as follows:

(a) Valid Existence; Good Standing. Each is a California limited partnership duly organized and validly existing under the laws of the State of California, and have all requisite power and authority to own its property and conduct its business as presently

conducted, and have made all filings and is in good standing in the jurisdiction of the State of California.

(b) Authority. Each have all requisite power and authority to execute and deliver this ENA and the agreements contemplated by this ENA and to carry out and perform all of the terms and covenants of this ENA.

(c) No Limitation on Ability to Perform. Neither the Co-Developers' partnership agreements nor any other agreement or law in any way prohibit, limit or otherwise affect the right or power of each Co-Developer to enter into and perform all of the terms and covenants of this ENA. Neither Co-Developer is party to, or bound by, any contract, agreement, indenture, trust agreement, note, obligation or other instrument, which could prohibit, limit or otherwise affect the same. No consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person or entity is required for the due execution, delivery and performance by each Co-Developer of this ENA or any of the terms and covenants contained in this ENA. There are no pending or threatened suits or proceedings or undischarged judgments affecting either Co-Developer before any court, governmental agency, or arbitrator which might materially adversely affect the enforceability of this ENA, the ability of either Co-Developer to perform the transactions contemplated by this ENA or the business, operations, assets or condition of the applicable Co-Developer.

(d) Valid Execution. The execution and delivery of this ENA and the agreements contemplated hereby by the Co-Developers have been duly and validly authorized by all necessary actions. This ENA will be a legal, valid and binding obligation of the Co-Developers, enforceable against the Co-Developers in accordance with its terms. The Co-Developers will provide to OCII written resolutions of the Co-Developers authorizing the execution of this ENA and the agreements contemplated by this ENA.

(e) Defaults. The execution, delivery and performance of this ENA do not and will not violate or result in a violation of, contravene or conflict with, or constitute a default under (A) any agreement, document or instrument to which the either Co-Developer may be bound or affected, (B) any law, statute, ordinance, regulation, or (C) the partnership agreement of the Co-Developers.

(f) Meeting Financial Obligations; Material Adverse Change. Each Co-Developer is meeting its current liabilities as they mature; no federal or state tax liens have been filed against it; and neither of the Co-Developers are in default or claimed default under any agreement for borrowed money. The Co-Developers shall immediately notify OCII of any material adverse change in the financial condition of either Co-Developer that affect the Co-Developer's ability to complete the Family Project or the Senior Project and such material adverse change shall constitute a default under this ENA, subject to the cure and remedy provisions of Section 8.

(g) Conflicts of Interest. The Co-Developers are familiar with conflict of interest requirements and contribution limits, including (i) Section 87100 *et seq.* of the California Government Code, which provides that no member, official or employee of OCII, may have any personal interest, direct or indirect, in this ENA nor shall any such member, official or employee participate in any decision relating to this ENA which affects her or his personal interest or the interests of any corporation, partnership or association in which she or he is interested directly or

indirectly and (ii) OCII's Personnel Policy, which prohibits former OCII employees and consultants from working on behalf of another party on a matter in which they have participated personally and substantially as an OCII employee or consultant unless OCII consents to such scope of work; and (iii) section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with OCII for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) the Mayor or members of the Board of Supervisors, (2) a candidate for Mayor or Board of Supervisors, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Co-Developers acknowledge that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Co-Developers further acknowledge that the prohibition on contributions applies to each prospective party to the contract; each member of each of the Co-Developers' board of directors; each Co-Developers' chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in each Co-Developers; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by one or both of the Co-Developers. Additionally, Co-Developers acknowledge that Co-Developers must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126. As to the provisions referred to in clauses (i) and (iii), the Co-Developers do not know of any facts that constitute a violation of such provisions. As to the policy in clause (ii), the Co-Developers have disclosed to OCII in writing any and all personnel or consultants covered by such policy as of the date of this ENA, and concurrently herewith the Commission has elected to waive or not to waive the conflict as to such specific personnel or consultants.

(h) Skill and Capacity. The Co-Developers have the skill, resources and financial capacity to acquire, manage and fully redevelop the Site consistent with the development opportunity described in the RFP.

(i) Consultants. As of the date of this ENA, the Co-Developers have retained the following consultants in connection with the proposed redevelopment of the Block 2 East Site: Kennerly Architecture & Planning (planning and architecture), Mercy Housing Management Group (property management), and Episcopal Community Services (supportive services for formerly homeless families); and the following consultants in connection with the proposed redevelopment of the Block 2 West Site: Mithun Architects (planning and architecture). The Co-Developers shall promptly notify OCII of the termination of any consultant previously approved by OCII, and the Co-Developers shall, to the extent required to fulfill its obligations under this ENA, replace such consultant with a new consultant reasonably approved by OCII. In addition, the Co-Developers shall promptly notify OCII of the addition of any new consultant associated with the Block 2 Project. Nothing herein shall limit the provisions of subsection (g) above regarding conflicts of interest.

(j) Not Prohibited from Doing Business. Neither of the Co-Developers (nor any affiliates of any of the foregoing) have been debarred or otherwise prohibited from doing business with any local, state or federal governmental agency.

(k) Business Licenses. Each Co-Developer has obtained all licenses required to conduct business in the City and is not in default of any fees or taxes due to the City.

(l) No Claims. Neither Co-Developer has any claim, and shall not make any claim, against OCII and the City, or either of them, or against the Site, or any present or future interest of OCII or the City therein, directly or indirectly, by reason of: any aspect of the RFP or the developer selection process; any statements, representations, acts or omissions made by OCII's and/or City's respective officers, commissioners, employees or agents with regard to the Site or any aspect of the negotiations under this ENA; and OCII's exercise of discretion, decision and judgment in conformance with this ENA.

9.2 Continued Accuracy.

If at any time during the Exclusive Negotiations Period any event or circumstance occurs that would render materially inaccurate or misleading any of the foregoing representations or warranties, the Co-Developers shall immediately notify OCII thereof. It will be an event of default without the requirement of OCII notice specified in Section 8.1, above, if the Co-Developers does not cure such inaccuracy within ten (10) days from the date on which the Co-Developers was obligated to notify OCII and OCII shall have the rights and remedies provided in this ENA, at equity and in law.

9.3 Survival.

The representations and warranties in this Section 9 shall survive any termination of this ENA.

10. Notices.

A notice or communication under this ENA by either party to the other shall be sufficiently given or delivered if made in writing and communicated by personal delivery, electronic mail (if followed within one (1) business day by first class mail), by nationally recognized courier that obtains receipts, or by United States certified mail, postage prepaid, return receipt requested. Any notice sent by electronic mail will be accompanied by a written notice and email notices will not be effective unless accompanied by a written notice. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

- (i) In the case of a notice or communication to OCII:

Office of Community Investment and Infrastructure
Successor Agency to the San Francisco Redevelopment Agency
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Executive Director
Email: Sally.Oerth@sfgov.org

Office of Community Investment and Infrastructure
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: General Counsel
Email: james.morales@sfgov.org

- (ii) And in the case of a notice or communication sent to the Co-Developers:

Transbay 2 Family, L.P.
c/o Mercy Housing California
1256 Market Street
San Francisco, CA 94102
Attn: Joe Rosenblum, General Counsel
Email: jrosenblum@mercyhousing.org

Transbay 2 Senior, L.P.
c/o Chinatown Community Development Center
1525 Grant Avenue
San Francisco, California, 94133
Attn: Malcolm Yeung, Executive Director
Email: myeung@chinatowncdc.org

For the convenience of the parties, copies of notice may also be given by email.

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

- (a) the Section of this ENA pursuant to which the notice is given and the action or response required, if any;
- (b) if applicable, the period of time within which the recipient of the notice must respond thereto;
- (c) if approval is being requested, shall be clearly marked “Request for Approval under the Transbay Redevelopment Project Area, Transbay Blocks 2 East and West, Exclusive Negotiations Agreement;” and
- (d) if a notice of disapproval or an objection, which requires reasonableness, shall specify with particularity the reasons therefor.

Any mailing address or email address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this ENA shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

11. General Provisions.

11.1 Amendments.

This ENA may be amended or modified only by a written instrument executed by OCII and the Co-Developers.

11.2 Severability.

If any provision of this ENA, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this ENA or the application of such provision to any other person or circumstance, and the remaining portions of this ENA shall continue in full force and effect, unless enforcement of this ENA as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this ENA. Without limiting the foregoing, in the event that any applicable federal or state law prevents or precludes compliance with any material term of this ENA, the parties shall promptly modify, amend or suspend this ENA, or any portion of this ENA, to the extent necessary to comply with such provisions in a manner which preserves to the greatest extent possible the benefits to each of the parties to this ENA and to the Co-Developers before such conflict with federal or state law. However, if such amendment, modification or suspension would deprive OCII or the Co-Developers of the substantial benefits derived from this ENA or make performance unreasonably difficult or expensive, then the affected party may terminate this ENA upon written notice to the other party. In the event of such termination, neither party shall have any further rights nor obligations under this ENA except as otherwise provided herein.

11.3 Non-Waiver.

No waiver made by either party with respect to the performance, or manner or time of performance, or any obligation of the other party or any condition to its own obligation under this ENA will be considered a waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived to the extent of such waiver, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

11.4 Non-Liability.

No member, official, agent or employee of OCII or the City will be personally liable to the Co-Developers, or any successor in interest (if and to the extent permitted under this ENA), in an event of default by OCII or for any amount that may become due to the Co-Developers or successor or on any obligations under the terms of this ENA. No director, officer, agent or employee or affiliate of the Co-Developers or Co-Developers' affiliates will be personally liable to OCII in an event of default by the Co-Developers or for any amount that may become due to OCII or on any obligations under the terms of this ENA.

11.5 Successors and Assigns; Third Party Beneficiary.

This ENA shall inure to the benefit of and bind the respective successors and assigns of OCII and the Co-Developers, subject to the limitations on assignment by the Co-Developers set forth in Section 7 above. This ENA is for the exclusive benefit of the parties hereto and not for

the benefit of any other person and shall not be deemed to have conferred any rights, express or implied, upon any other person.

11.6 Governing Law.

This ENA shall be governed by and construed in accordance with the laws of the State of California. As part of the consideration for OCII's entering into this ENA, the Co-Developers agree that all actions or proceedings arising directly or indirectly under this ENA may, at OCII's sole option, be litigated in courts located within the County of San Francisco, State of California, and the Co-Developers expressly consent to the jurisdiction of any such local, state or federal court, and consent that any service of process in such action or proceeding may be made by personal service upon the Co-Developers wherever the Co-Developers may then be located, or by certified or registered mail directed to the Co-Developers at the address set forth in this ENA.

11.7 Attorneys' Fees and Costs.

If either party fails to perform any of its respective obligations under this ENA or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this ENA, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default or in enforcing or establishing its rights under this ENA, including, without limitation, court costs and reasonable Attorneys' Fees and Costs (as defined below). Any such Attorneys' Fees and Costs incurred by either party in enforcing a judgment in its favor under this ENA shall be recoverable separately from and in addition to any other amount included in such judgment, and such Attorneys' Fees and Costs obligation is intended to be several from the other provisions of this ENA and to survive and not be merged into any such judgment. For purposes of this ENA, the reasonable fees of attorneys of OCII counsel shall be based on the fees regularly charged by private attorneys who have the equivalent number of years of experience in the relevant subject matter and who practice in law firms in the City.

“Attorneys' Fees and Costs” means any and all attorneys' fees, costs, expenses and disbursements, including, but not limited to, expert witness fees and costs, travel time and associated costs, transcript preparation fees and costs, document copying, attachment preparation, courier, postage, facsimile, long-distance and communications expenses, court costs and the costs and fees associated with any other legal, administrative or alternative dispute resolution proceeding, fees and costs associated with execution upon any judgment or order, and costs on appeal.

11.8 Interpretation of Agreement.

(a) Attachments. Whenever an “Attachment” is referenced, it means an attachment to this ENA unless otherwise specifically identified. All such Attachments are incorporated herein by reference.

(b) Captions. Whenever a section, article or paragraph is referenced, it refers to this ENA unless otherwise specifically identified. The captions preceding the articles and sections of this ENA have been inserted for convenience of reference only. Such captions shall not define or limit the scope or intent of any provision of this ENA.

(c) Words of Inclusion. The use of the term “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of

non-limitation is used with reference thereto. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) References. Wherever reference is made to any provision, term or matter “in this ENA,” “herein” or “hereof” or words of similar import, the reference shall be deemed to refer to any and all provisions of this ENA reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered, section or paragraph of this ENA or any specific subdivision thereof.

(e) Recitals. In the event of any conflict or inconsistency between the recitals and any of the remaining provisions of this ENA, the remaining provisions of this ENA shall prevail.

(f) No Presumption Against Drafter. This ENA has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this ENA against the party that has drafted it is not applicable and is waived. The provisions of this ENA shall be interpreted in a reasonable manner to affect the purposes of the parties and this ENA.

11.9 Entire Agreement.

This ENA, including the Attachments, contains all the representations and the entire agreement between the parties with respect to the subject matter of this ENA. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter are superseded in total by this ENA. No prior drafts of this ENA or changes from those drafts to the executed version of this ENA shall be introduced as evidence in any litigation or other dispute resolution proceeding by either party or any other person and no court or other body shall consider those drafts in interpreting this ENA.

11.10 Time for Performance.

(a) Expiration. All performance dates, including cure dates, expire at 5:00 p.m., San Francisco, California time, on the performance or cure date.

(b) Weekends and Holidays. A performance date, which falls on a Saturday, Sunday, or City holiday is deemed extended to the next working day.

(c) Days for Performance. All periods for performance specified in this ENA in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this ENA.

(d) Time of the Essence. Time is of the essence with respect to each provision of this ENA, including, without limitation, each milestone set forth in the attached Schedule of Performance.

11.11 Counterparts.

This ENA may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

11.12 Approvals and Consents.

Unless this ENA otherwise expressly provides, all actions, approvals, consents or determinations to be made by or on behalf of (i) OCII under this ENA shall be made by the OCII's Executive Director or her designee and (ii) the Block 2 East Developer under this ENA shall be made by the President of Mercy (the "**2 East Developer Representative**"), and the Block 2 West Developer shall be made by the Executive Director of CCDC (the "**2 West Developer Representative**") or such other employee or agent of the Co-Developers as the Co-Developers may designate or as may be authorized to act as the 2 East Developer Representative or 2 West Developer Representative for a particular matter. Unless otherwise herein provided, whenever approval, consent or satisfaction is required of a party pursuant to this ENA, it shall not be unreasonably withheld or delayed. The reasons for disapproval shall be stated in reasonable detail in writing. Approval by the Co-Developers or OCII to or of any act or request by the other shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests.

11.13 Real Estate Commissions.

The Co-Developers and OCII each represents to the other that it engaged no broker, agent or finder in connection with this ENA or the transactions contemplated hereby. In the event any broker, agent or finder makes a claim, the party through whom such claim is made agrees to indemnify the other party from any Losses arising out of such claim.

11.14 Survival.

Following expiration of the Exclusive Negotiations Period, this ENA shall be deemed terminated and of no further force and effect except for any provision which, by its express terms, survives the expiration or termination of this ENA. Upon termination of this ENA (other than a termination due to a default by OCII), the Co-Developers shall furnish copies of all Work Product to OCII as provided in Section 8.2(c).

11.15 Nondiscrimination and Small Business Enterprise Policy.

(a) 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, disability (including HIV or AIDS status) or any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code in the performance of this ENA. The Co-Developers 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). 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 to clients or the general public.

(b) The Co-Developers will, in all solicitations or advertisements for employees placed by it or on its behalf, state it is an equal opportunity employer.

(c) The Co-Developers will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this ENA so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

(d). If the Co-Developers intend to utilize subcontractors in the provision of services under this ENA, it must consult with OCII's Contract Compliance Division and comply with OCII's Equal Opportunity Program, including but not limited to the Small Business Enterprise ("SBE") Policy.

(e). The Co-Developers agree not to discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, and shall comply fully with all provisions of the OCII's Nondiscrimination in Contracts Policy, adopted by Resolution No. 175-97, as such Policy may be amended from time to time.

(f) The Co-Developers shall provide all services to the public under this Contract in facilities that are accessible to persons with disabilities as required by state and federal law.

11.16 Compliance With Minimum Compensation Policy And Health Care Accountability Policy.

The Co-Developers agree, as of the date of this ENA and during the term of this ENA, to comply with the provisions of OCII's Minimum Compensation Policy and Health Care Accountability Policy (the "**Policies**"), adopted by Resolution 168-2001, as such policies may be amended from time to time. Such compliance includes providing all "Covered Employees," as defined under Section 2.7 of the Policies, a minimum level of compensation and offering health plan benefits to such employees or to make payments to the City and County of San Francisco's Department of Public Health, or to participate in a health benefits program developed by the City and County of San Francisco's Director of Health.

11.17 Relationship of the Parties.

The subject of this ENA is a private development with neither party acting as the agent of the other party in any respect. None of the provisions in this ENA shall be deemed to render OCII a partner in the Co-Developers' business, or joint venturer or member in any joint enterprise with the Developer.

11.18 Cooperation.

In connection with this ENA, the Co-Developers and OCII shall reasonably cooperate with one another to achieve the objectives and purposes of this ENA. In so doing, the Co-Developers and OCII shall each refrain from doing anything that would render its performance under this ENA impossible and each shall do everything that this ENA contemplates that the Party shall do to accomplish the objectives and purposes of this ENA.

(signatures begin on following page)

IN WITNESS WHEREOF, OCII and the Developer have duly executed and delivered this ENA as of the date first written above.

OCII:

OCII, as Successor Agency to the
Redevelopment Agency of the City and
County of San Francisco, a public body,
organized and existing under the laws of the
State of California:

By: _____
Sally Oerth
Interim Executive Director

APPROVED AS TO FORM:

James B. Morales
Agency General Counsel

By: _____

CO-DEVELOPERS:

Transbay 2 Family, L.P.,
a California limited partnership

Managing General Partner:

Transbay 2 Family LLC, a California
limited liability company

By: Mercy Housing Calwest, a
California nonprofit public benefit
corporation, its sole
member/manager

By: _____

Name:

Title:

Transbay 2 Senior, L.P.,
a California limited partnership

Managing General Partner:

CCDC Transbay 2 LLC, a California
limited liability company

By: Chinatown Community
Development Center nonprofit
public benefit corporation, its sole
member/manager

By: _____

Name:

Title:

Authorized by OCII Resolution No. ____-2021, adopted April 6, 2021.

EXCLUSIVE NEGOTIATIONS AGREEMENT

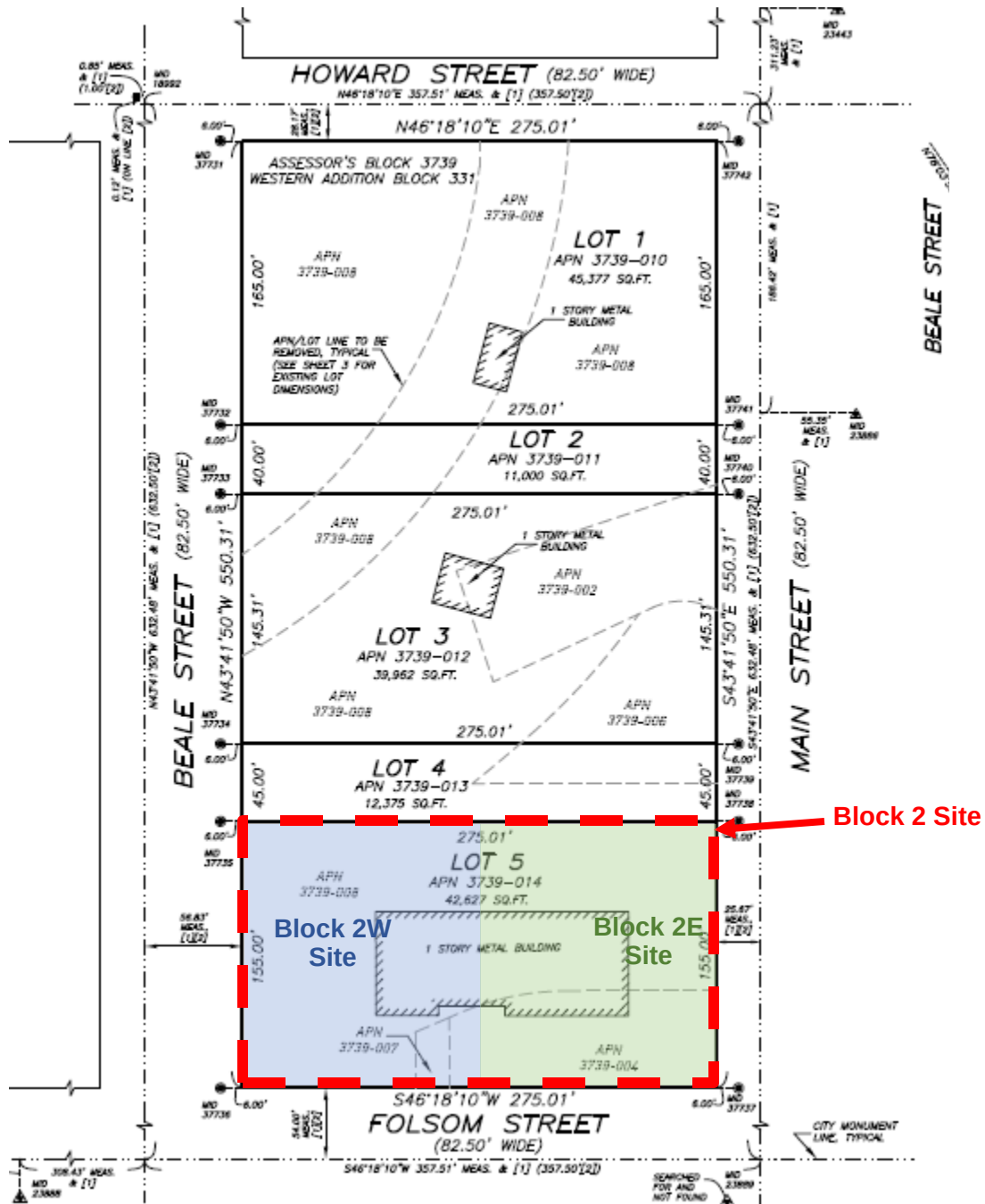
LIST OF ATTACHMENTS

ATTACHMENT 1	Site Description
ATTACHMENT 2	ENA Schedule of Performance
ATTACHMENT 3	ENA Scope of Development
ATTACHMENT 4	Form of Option to Ground Lease
ATTACHMENT 5	Insurance Requirements
ATTACHMENT 6	Form of Permit to Enter
ATTACHMENT 7	Design Review and Document Approval Procedure for Transbay Block 2

ATTACHMENT 1

Site Description

The Site is composed of the land within Transbay Block 2, depicted in the drawing below.



ATTACHMENT 2

ENA Schedule of Performance

No.	Task	Deadline	Completed
1.	Submit conceptual designs and cost estimates.	January 2022	
2.	Submit schematic design drawings and cost estimates. The submission shall include the items specified in Attachment 3.	May 2022	
3.	Submit a subdivision map application.	March 2023	
4.	Submit design development documents and cost estimates. The submission shall include the items specified in Attachment 3 unless otherwise amended.	March 2023	
5.	Execution of Option to Enter into Ground Lease for CDLAC Application	September 2023	
6.	Execution of Ground Lease Agreement.	March 2024	

ATTACHMENT 3
ENA Scope of Development

The Block 2 Project will include construction of approximately 254 units of affordable rental housing and resident amenities, approximately 11,650 square feet of commercial space, an approximately 25' wide mid-block pedestrian mews running north/south through the center of the site connecting Folsom Street to the future Clementina Street extension, and streetscape improvements including sidewalks, landscaping, and street furnishings along the Folsom, Main, Clementina, and Beale Street frontages.

Family Project (Block 2E Site)

The Family Project will include construction of approximately 101 units of affordable rental housing, serving low-income families and formerly homeless families. In addition, the Family Project will include an approximately 6,000 square foot space for a child care facility with an adjacent outdoor play area, an approximately 1,380 square foot ground floor retail space, and streetscape improvements. With the exception of one unrestricted manager's unit, residential units will be affordable to households earning up to 80% of area median income (as defined by MOHCD). Units will be comprised of approximately 35% one-bedroom, 35% two-bedrooms, and 30% three-bedrooms. Approximate unit sizes will be:

- 550 square feet for one-bedroom/one-bathroom units;
- 850 square feet for two-bedroom/one-bathroom units; and
- 1,100 square feet for three bedroom/one and a half- or two-bathroom units

Residential amenities will include:

- Property management and supportive services offices;
- Community room with kitchen;
- Outdoor open space (anticipated to be located on a sixth floor terrace);
- Shared laundry rooms; and
- Bicycle parking.

Senior Project (Block 2W Site)

The Senior Project will include construction of approximately 153 units of affordable rental housing, serving low-income seniors and formerly homeless senior households. In addition, the Senior Project will include approximately 4,270 square feet of ground floor retail as well as streetscape improvements. With the exception of one manager's unit, residential units will be affordable to senior households earning up to 80% of area median income (as defined by MOHCD). Affordable units will be comprised of approximately 24% studios and 76% one-bedroom units. The manager's unit will be two-bedrooms. Approximate unit sizes will be:

- 400 square feet for studio/one-bathroom units; and
- 550 square feet for one-bedroom/one-bathroom units.

Residential amenities will include:

- Property management and supportive services offices;
- Community room with kitchen;
- Outdoor open space (anticipated to include a ground level courtyard and a sixth floor terrace);
- Shared laundry rooms; and
- Bicycle parking.

ATTACHMENT 4

FORM OF OPTION TO GROUND LEASE AGREEMENT

OPTION TO GROUND LEASE AGREEMENT

This Option to Ground Lease Agreement (the "**Agreement**") is entered into as of this ____ day of _____, 20____ ("**Effective Date**"), by and between SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, organized and existing under the laws of the State of California and commonly referred to as the Office of Community Investment and Infrastructure (the "**Successor Agency**" or "**OCII**") and _____, ("**Optionee**") and its permitted assignees hereunder, with reference to the following facts:

RECITALS

A. In furtherance of the objectives of the Community Redevelopment Law of the State of California, the Redevelopment Agency of the City and County of San Francisco (the "**Former Agency**") undertook a program to redevelop and revitalize blighted areas in San Francisco and in connection therewith adopted a redevelopment project area known as the Transbay Redevelopment Project Area (the "**Project Area**").

B. The Board of Supervisors of the City and County of San Francisco ("**Board of Supervisors**") approved a Redevelopment Plan for the Project Area by Ordinance No. 124-05, adopted on June 21, 2005, and by Ordinance No. 99-06, adopted on May 9, 2006, filed in the Office of the Recorder of the City and County of San Francisco ("**Official Records**") as Document No. 2006-I224836, as amended by Ordinance No. 84-15 (June 18, 2015)) as Document No. 2015-K135871, and as amended by Ordinance No. 62-16 (April 19, 2016) as Document No. 2016-K333253, and as it may be amended from time to time ("**Redevelopment Plan**").

C. The Redevelopment Plan establishes the land use controls that Successor Agency applies in the Project Area. The Redevelopment Plan divides the Project Area into two subareas: Zone One in which the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (2005) ("**Development Controls**") define land uses, and Zone Two in which the San Francisco Planning Code applies. Successor Agency solely administers and enforces land use entitlements for property and projects in Zone One and has delegated its authority over projects that do not require Successor Agency action in Zone Two to the San Francisco Planning Department pursuant to that certain Delegation Agreement between the Former Agency and the Planning Department for the Transbay Redevelopment Project Area (May 3, 2005).

D. On August 4, 2006, and in furtherance of the Redevelopment Plan, the Former Agency caused a Declaration of Restrictions affecting all of the Project Area to be recorded in the Official Records, as Document No. 2006-I224839.

E. In 2003, the Transbay Joint Powers Authority ("**TJPA**"), the City and County of San Francisco ("**City**"), and the State of California ("**State**"), entered into a Cooperative Agreement, which sets forth the process for the transfer of certain State-owned parcels in the Project Area to the City and the TJPA. Also in 2003, the California Legislature enacted Assembly Bill No. 812 (Statutes 2003, chapter 99), codified at Cal. Public Resources Code §

5027.1 (“**AB 812**”), which requires that thirty-five percent (35%) of new housing developed in the Project Area shall be affordable to low- and moderate-income households. In 2005, the TJPA and the Former Agency entered into the Transbay Redevelopment Project Implementation Agreement (“**Implementation Agreement**”) which requires Successor Agency to prepare and sell certain formerly State-owned parcels and to construct and fund new infrastructure improvements (such as parks and streetscapes) and to meet affordable housing obligations. (The AB 812 housing obligation, as incorporated into the Implementation Agreement, is referred to as the “**Transbay Affordable Housing Obligation.**”)

F. On February 1, 2012, the State of California dissolved all redevelopment agencies including the Former Agency, by operation of law pursuant to California Health and Safety Code Section 34170 et seq. (“**Redevelopment Dissolution Law**”). Under the authority of the Redevelopment Dissolution Law and under San Francisco Ordinance No. 215-12 (October 4, 2012) (establishing the Successor Agency Commission (“**Commission**”) and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency is administering the enforceable obligations of the Former Agency.

G. Redevelopment Dissolution Law authorizes successor agencies to enter into new agreements if they are “in compliance with an enforceable obligation that existed prior to June 28, 2011.” Cal. Cal. Health & Safety Code § 34177.5(a). On April 15, 2013, the California Department of Finance (“**DOF**”) finally and conclusively determined that the Pledge Agreement, Implementation Agreement, and Transbay Affordable Housing Obligation are continuing enforceable obligations of the Successor Agency under Redevelopment Dissolution Law.

H. This Agreement, providing for the development of affordable housing, is part of Successor Agency’s compliance with the pre-existing enforceable obligations under the Implementation Agreement and the Transbay Affordable Housing Obligation. DOF has confirmed that “any sale, transfer, or conveyance of property related to [the Transbay Final and Conclusive Determination] is authorized.” Email from Justyn Howard, Assistant Program Budget Manager, DOF, to Tiffany Bohee, Executive Director, Successor Agency (September 10, 2013, 09:17 am).

I. The Optionee is a limited partnership comprised of its managing general partner, _____, and a to-be-determined limited partner. The Optionee desires to develop the Property with approximately ____ multifamily units available to low-income [seniors/families] some of whom are formerly homeless, including certain ancillary uses (“**Block 2[E/W] Project**”) on a to-be-subdivided portion of that certain real property more particularly described in Exhibit A hereto (“**Property**”). Optionee and OCII shall mutually agree on the final subdivision for the Property prior to the closing of the Ground Lease.

J. OCII is the fee simple owner of the Property.

K. The Optionee intends to develop the Block 2[E/W] Project with Low Income Housing Tax Credits, tax-exempt bonds, local funds, and other sources, as necessary.

L. In order to apply for Block 2[E/W] Project financing, Optionee desires to obtain from OCII, and OCII desires to grant to Optionee, upon the specific terms and conditions set forth in this Agreement, the exclusive right and option to ground lease the Property.

Now, therefore, in consideration of recitals hereof and the mutual promises contained in this agreement, the parties agree as follows:

AGREEMENT

SECTION 1. Grant of Option. OCII grants to Optionee the option to ground lease the Property for the consideration and under the terms and conditions set forth in this Agreement (the "**Option**").

SECTION 2. Term of Option: Exercise.

a. Term and Extension of Term. The term of the Option shall be for a period commencing on the Effective Date and ending on 11:59 P.M. on _____, unless earlier terminated in accordance with the provisions of this Agreement (the "**Initial Term**"). So long as the Optionee is not then in default under this Agreement or any other agreements with OCII, Optionee may request up to two extensions of the Initial Term, of up to six months each, by giving written notice, accompanied by payment of One Dollar (\$1.00) (the "**Extension Payment**"), to OCII, at any time prior to the expiration of the Initial Term. Approval of the extension is subject to the sole discretion of the OCII Executive Director. Any such approved extension shall commence on 12:01 A.M. on the day immediately following the expiration of the Initial Term and shall end no later than 11:59 P.M. on _____ for the first extension and no later than 11:59 P.M. on _____ for the second extension. The Initial Term, plus any extension, is referred to herein as the "**Term**". During the Term, Optionee and OCII staff agree to negotiate in good faith to complete all of the terms and conditions of a ground lease of the Property from OCII to Optionee consistent with this Agreement (upon completion of such negotiations, the "**Ground Lease**"). The final terms of the Ground Lease must be agreed to by Optionee and OCII, and approved by the Commission, before Optionee's exercise of the Option.

b. Exercise of Option. At any time following approval of the Ground Lease by the Commission and before the expiration of the Term, so long as the Optionee is not then in default under this Agreement or any other agreements with OCII, Optionee may exercise the Option by giving written notice to OCII (the "**Option Notice**").

c. Expiration. The Agreement shall automatically expire, and be of no further force or effect, upon the first to occur of the expiration date of the Term or the effective date of the Ground Lease. If the expiration date of the Term falls on a Saturday, Sunday or legal holiday in the State of California, then the expiration date shall be extended to 11:59 P.M. on the immediately following business day. Upon termination of the Option and a written request by OCII, Optionee shall sign and deliver a quitclaim deed or such other document as may be reasonably required by OCII to evidence the termination of the Option.

SECTION 3. Option Consideration. The Option is granted in consideration of Optionee's obligation to negotiate in good faith for the Ground Lease and for the advancement of the Block 2[E/W] Project. The Option consideration is related to the Option only and in no way relates to Ground Lease payments that will be owed to OCII. In addition, concurrently with the execution of this Agreement, Optionee shall pay and deliver to OCII One Hundred Dollars

(\$100.00) as separate and independent consideration (“**Independent Consideration**”) for OCII’s execution of this Agreement. The Independent Consideration is non-refundable to Optionee in the event this Agreement terminates prior to Optionee’s execution of the Option.

SECTION 4. Ground Lease of the Block 2[E/W] Project Property. OCII staff shall prepare the initial form of ground lease substantially in the form used by OCII for projects in which OCII is the fee owner of a particular property that will be developed for affordable housing. The Ground Lease shall be in accordance with the following:

a. Term of Ground Lease. The Ground Lease shall become effective immediately following the full execution by the parties and shall end between sixty-five (65) and seventy-five (75) years from the date of construction completion of the Block 2[E/W] Project (as determined by the parties during negotiation of the ground lease term), provided that the tenant shall have an option to extend the term for an additional period that, in aggregate, does not exceed a total of ninety nine (99) years, for no additional consideration (but rent shall continue during any extended term as set forth below).

b. Taxes and Assessments. The tenant shall be responsible for the payment of any and all property taxes and assessments levied against the leasehold estate and the Property during the entire term of the Ground Lease subject to any abatement available therefrom.

c. Block 2[E/W] Project Use. The Property shall be used during the term of the Ground Lease only for affordable housing, specifically the construction, operation, maintenance and repair or reconstruction of a multifamily residential development with approximately ____ units available to extremely low income and low-income households as well as certain ancillary uses. The maximum rent and income levels shall be set at no greater than 80% of area median income, defined as the area median income as determined by the United States Department of Housing and Urban Development for the San Francisco area, adjusted solely for household size, but not high housing cost area. If required by the Block 2[E/W] Project’s tax credit investor based on the Block 2[E/W] Project’s residual analysis test, and if approved by the OCII Executive Director in his or her reasonable discretion, the Ground Lease may permit increases in the maximum rent and income levels after the 55th year of the Ground Lease term, but such increases shall be limited only to the extent necessary to satisfy the tax credit investor’s residual analysis test.

d. Rent. The tenant shall pay the landlord annual rent in the amount of ten percent (10%) of the land value of the Property (as determined by an MAI appraiser selected by, and at the sole cost of, the tenant, and set in the Ground Lease), consisting of \$15,000 in base rent and the remainder in residual rent. The residual rent shall be payable only to the extent proceeds are available from the Block 2[E/W] Project. The annual rent shall be adjusted on the fifteenth (15th) anniversary of the expiration of the first full calendar year of the lease term, and every fifteen (15) years thereafter, and shall be equal to ten percent (10%) of then appraised value of the land as determined by a MAI appraiser selected by, and at the sole cost of, the tenant. Any such adjustment shall be made to the residual rent and not the base rent. If required by the Block 2[E/W] Project’s tax credit investor based on the Block 2[E/W] Project’s residual analysis test, and if approved by the MOHCD Director in his or her reasonable

discretion, residual rent shall only be payable after full repayment of any residual-receipts loan provided by OCII.

e. Construction and Operation of the Block 2[E/W] Project. The tenant shall be responsible, at its sole cost, for construction, operation, and maintenance of the Block 2[E/W] Project during the Ground Lease term.

f. Title to the Property. The Ground Lease shall provide that OCII will own fee title to the land comprising the Property, and the Optionee will own fee title to all improvements constructed or otherwise located on the land, during the Ground Lease term.

g. Disposition of Improvements at End of Lease. At the end of the Ground Lease term, fee title to all the improvements shall vest in OCII without further action of any party, without any obligation by OCII to pay any compensation therefor to the tenant and without the necessity of a deed from the tenant to OCII.

h. Mortgagee Protections. The Ground Lease shall include standard mortgagee protection provisions.

i. Defaults; Right to Cure. OCII will provide any notice of any defaults under the Ground Lease to the tenant's limited partners and lenders, and allow any such parties the right to cure a default by the tenant under the Ground Lease. Pursuant to the terms of the Ground Lease, OCII shall not be entitled to terminate the Ground Lease following any uncured default by the tenant during the fifteen (15) year tax credit compliance period for the Block 2[E/W] Project, except if such default is failure to pay rent.

j. Encumbrances. The Ground Lease will permit the tenant to encumber its leasehold interest in the Property to secure any loans deemed necessary by the tenant, as approved by OCII. Any funds from a loan secured by the Property must be used in or on the Property.

SECTION 5. Closing.

a. Expenses. All expenses, fees or costs (except attorneys' fees and costs) incurred in connection with the Ground Lease of the Property, including but not limited to city and county documentary transfer tax, conveyance taxes, recording charges (if any), and costs of title insurance shall be borne by the Optionee. Each party shall bear its own attorneys' fees and costs incurred in connection with negotiation and execution of this Agreement and the Ground Lease.

b. Proration of Taxes. Real property taxes on the Property shall be prorated as of the date of closing of the Ground Lease.

c. Title Insurance. The closing of the Ground Lease shall be conditioned on the issuance to the tenant of an ALTA leasehold policy of title insurance, from a title company chosen by the tenant, insuring the tenant's leasehold interest in the Property

SECTION 6. Notices. All notices or other communications made pursuant to this Agreement shall be in writing and shall be deemed properly delivered, given or served to the parties at the following addresses when (i) mailed by certified mail, postage prepaid, return receipt requested; (ii) sent by express delivery service, charges prepaid with a delivery receipt; or (iii) personally delivered when a delivery receipt is obtained:

Optionee: [TBD]

SECTION 7. Assignment of Option. OCII and the Developer acknowledge and agree that OCII is entering into this Agreement and granting the Option to the Optionee on the basis of the particular experience, financial capacity, skills and capabilities of the Optionee and its members. The Option is personal to the Optionee, is not assignable, and the Optionee shall not assign or transfer this Agreement, except by the prior written consent of OCII' Executive Director, which may be given, withheld or conditioned in her sole discretion.

SECTION 9. Time. Time is of the essence of this Agreement.

Attachment 4 – Form of Option to Ground Lease p. 6

SECTION 11. Commission. Each party to this Agreement represents to the other party that it has not engaged or used the services of any person, firm or corporation that may claim a broker's commission or finder's fee upon execution of this Agreement or the Ground Lease, and each party to this Agreement agrees to hold the other party harmless from any loss, damage, expense or liability, including attorney's fees, resulting from any claim by any person, firm or corporation based upon its having acted as broker or finder on behalf of said indemnifying party.

SECTION 12. Captions. The captions of the paragraphs of this Agreement are for convenience and reference only, and the words contained in the captions shall in no way be held to explain, modify, amplify or aid in the interpretations, constructions or meaning of the provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.

SECTION 14. Entire Agreement; Signatures. This Agreement contains the entire agreement between the parties respecting the matters set forth, and supersedes all prior agreements between the parties respecting the matters set forth.

SECTION 15. Attorneys' Fees. In any action between Optionee and OCII to enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to recover costs of suit and expenses including, without limitation, reasonable attorneys' fees.

SECTION 16. Effective Date. Notwithstanding anything to the contrary contained herein, this Agreement shall not be effective until the date on which the Commission enacts a resolution approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

(signatures begin on next page)

IN WITNESS WHEREOF, Optionee and OCII have executed this Agreement as of the date first written above.

OCII:

Office of Community Investment
and Infrastructure, Successor Agency
to the Redevelopment Agency of the
City and County of San Francisco,
a public body, organized and existing
under the laws of the State of
California

By: _____

Sally Oerth
Interim Executive Director

OPTIONEE:

Managing General Partner:

By: _____

Name:

Title:

APPROVED AS TO FORM:

By: _____

James B. Morales
General Counsel

EXHIBIT A

Property Description

Real property in the City and County of San Francisco, State of California, described as follows:

[To be inserted]

ATTACHMENT 5

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, insurance as set forth in this Attachment 5 throughout the Compliance Term of this Agreement, or in accordance with the timeframes stated herein, at no expense to OCII. If and when the Developer and OCII enter into a gap loan agreement or other agreements authorizing or funding the construction of the Block 2 Project, OCII will adjust these insurance requirements to reflect the risks associated with construction-related activities.

- A. Overview of Coverage Requirements. The following table summarizes required insurance policies and documentation. Please see Section B of this Attachment 5 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 and Developer's contractors	Additional insured (see Section G)
Automobile Liability (see Section B.2)	\$1,000,000 per occurrence	Developer and Developer's contractors	Additional insured (see Section G)
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

- 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). 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. Umbrella or Excess Liability Policy may be used to meet the terms of this section. Developer should note that the General Liability coverage described herein is applicable only during the predevelopment phase and that OCII will require increased coverage for the Developer and construction contractors during the construction period.

- 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.
- 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 Block 2 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 or Sponsor 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 Block 2 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.

- 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 or Excess Liability Policies. An Umbrella and/or Excess Liability policy(ies) 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 Attachment 5, 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 the Compliance Term for general liability 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, Developer, or Contractor), the Block 2 Project name, and the Block 2 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.

ATTACHMENT 6

FORM OF PERMIT TO ENTER

PERMIT TO ENTER

THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("**Successor Agency**") grants to _____ ("**Permittee**"), a non-exclusive permit to enter upon certain Successor Agency-owned or -leased real property (hereinafter referred to as the "**Permit Area**"), located at _____ upon the terms, covenants and conditions hereinafter set forth in this Permit to Enter ("**Permit**").

1. Permit Area: The Permit Area is more particularly shown on Attachment A hereto and made a part hereof. The Permit is non-exclusive and is subject to the rights of ingress and egress by the Successor Agency and others, who are authorized to access portions of the Permit Area.

2. Interim Use: The Permittee shall use the Permit Area to _____
_____ **[describe permitted activities]** which is described elsewhere herein as the "**Interim Use**." No uses other than those specifically stated herein are authorized hereby.

3. Time of Entry: Entry may commence, once the Permit is fully executed, on _____, at 8:00 a.m. Entry shall terminate on _____, at 5:00 p.m., unless earlier terminated by the Successor Agency's Executive Director under Section 11 hereof or earlier terminated by Permittee by cessation of activities/operations, or unless such time is extended by the Executive Director.

4. Compensation to Successor Agency: Permittee shall pay compensation to the Successor Agency:

YES ☐

NO ☐

If yes is checked, Permittee shall pay the Successor Agency:

☐ One cent (\$ 0.01) per square foot per day for duration of the permit to enter or

☐ \$ _____ per day pursuant to Section 9 Reduction or Waiver of Use Fee of the Successor Agency's Permit to Enter Policy.

(Executive Director's initials authorizing fee reduction/waiver). _____
initials

5. Indemnification:

a. General Indemnification: Permittee shall defend, hold harmless and indemnify the Successor Agency, the City and County of San Francisco (the "City") and/or their respective commissioners, members, officers, agents and employees of and from any and all claims, demands, losses, costs, expenses, obligations, damages, injuries, actions, causes of action and liabilities of every kind, nature and description directly or indirectly, arising out of or connected with this Permit and any of the Permittee's operations or activities related thereto, and excluding the willful misconduct or gross negligence of the person or entity seeking to be defended, indemnified or held harmless, and excluding any and all claims, demands, losses, costs, expenses, obligations, damages, injuries, action, causes of action or liabilities of any kind arising out of any Release (as defined in Section 6f below) or threatened release of any Hazardous Substance (as defined in Section 6d below), pollutant, or contaminant, or any condition of pollution, contamination, or nuisance which shall be governed exclusively by the provisions of Section 6c below. This section does not apply to contracts for construction design services provided by a design professional, as defined in California Civil Code Section 2782.8

b. Indemnification By Design Professionals: This section applies to any design professional as defined in California Civil Code Section 2782.8 who is or will provide professional services as part of, collateral to, or affecting this Permit with the Permittee ("Design Professional"). Each Design Professional who will provide design services shall defend, hold harmless and indemnify the Successor Agency, the City 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 that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Design Professional. It is expressly agreed and understood that the duty of indemnification pursuant to this section is to be interpreted broadly to the greatest extent permitted by law, including but not limited to California Civil Code Section 2782.8.

c. No Mechanics' Liens: Permittee shall not permit any mechanics' or other liens to be levied against the Permit Area for any labor or material furnished to Permittee or claimed to have been furnished to Permittee or to Permittee's agents or contractors in connection with the Interim Use and Permittee shall hold the Successor Agency free and harmless from any and all cost or expense connected with or arising from the Interim Use.

6. Hazardous Material Acknowledgement and Indemnification:

a. Hazardous Material Acknowledgement: Permittee recognizes that, in entering upon the Permit Area and performing the Interim Use under this Permit, its employees, invitees, subpermittees and subcontractors may be working with, or be exposed to substances or conditions which are toxic or otherwise hazardous. Permittee acknowledges that the Successor Agency is relying on the Permittee to identify and evaluate the potential risks involved and to take all appropriate precautions to avoid such risks to its employees, invitees, subpermittees and subcontractors. Permittee agrees that it is assuming full responsibility for ascertaining the existence of such risks, evaluating their significance, implementing appropriate safety precautions for its employees, invitees, subpermittees and subcontractors and making the decision on how (and whether) to enter upon the Permit Area and carry out the Interim Use, with due regard to such risks and appropriate safety precautions.

b. Proper Disposal of Hazardous Materials: Permittee assumes sole responsibility for managing, removing and properly disposing of any waste produced during or in connection with

Permittee's entry and/or Interim Use of the Permit Area including, without limitation, preparing and executing any manifest or other documentation required for or associated with the removal, transportation and disposal of hazardous substances to the extent required in connection with the Permittee's activities hereunder.

c. Toxics Indemnification: Permittee shall defend, hold harmless and indemnify the Successor Agency, the City, and their respective commissioners, members, officers, agents and employees from and against any and all claims, demands, actions, causes of action or suits (actual or threatened), losses, costs, expenses, obligations, liabilities, or damages, including interest, penalties, engineering consultant and attorneys' fees of every kind, nature and description, resulting from any release or threatened release of a hazardous substance, pollutant, or contaminant, or any condition of pollution, contamination, or nuisance in the vicinity of the Permit Area or in ground or surface waters associated with or in the vicinity of the Permit Area to the extent that such release or threatened release, or condition is directly created or aggravated by the Interim Use undertaken by Permittee pursuant to this Permit or by any breach of or failure to duly perform or observe any term, covenant or agreement in this Permit to be performed or observed by the Permittee, including but not limited to any violation of any Environmental Law (as defined in Section 6e below); provided, however, that Permittee shall have no liability, nor any obligation to defend, hold harmless or indemnify any person for any claim, action, loss, cost, liability, expense or damage resulting from the discovery or disclosure of any pre-existing condition on or in the vicinity of the Permit Area; and provided further that Permittee shall be held to a standard of care no higher than the standard of care applicable to environmental and geotechnical professionals in San Francisco.

d. Hazardous Substances: For purposes of this Permit, the term "Hazardous Substance" shall have the meaning set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U. S. C. Section 9601(14), and in addition shall include, without limitation, petroleum, (including crude oil or any fraction thereof), asbestos, asbestos-containing materials, polychlorinated biphenyls ("PCBs" or "PCB"), PCB-containing materials, all hazardous substances identified at California Health & Safety Code Sections 25316 and 25281(d), all chemicals listed pursuant to California Health & Safety Code Section 25249.8, and any substance deemed a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under applicable state or local law.

e. Environmental Laws: For purposes of this Permit, the term "Environmental Laws" shall include but not be limited to all federal, state and local laws, regulations, ordinances, and judicial and administrative directives, orders and decrees dealing with or pertaining to solid or hazardous waste, wastewater discharges, drinking water, air emissions, Hazardous Substance releases or reporting requirements, Hazardous Substance use or storage, and employee and community right-to-know requirements, related to the Interim Use.

f. Release: For purposes of this Permit, the term "Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Substance or pollutant or contaminant).

g. Soils Investigation: If the Interim Use under Section 2 of this Permit includes any soils investigations, then Permittee warrants as follows:

(1) If any soils investigation permitted hereby involves the drilling of holes having a diameter dimension that could create a safety hazard for persons, said holes shall during any drilling operations be carefully safeguarded and shall upon the completion of said drilling operations be refilled (and compacted to the extent necessary) to the level of the original surface penetrated by the drilling.

(2) The Successor Agency has no responsibility or liability of any kind or character with respect to any utilities that may be located in or on the Permit Area. Permittee has the sole responsibility to locate the same and to protect the same from damage. Permittee shall be solely responsible for any damage to utilities or damage resulting from any damaged utilities. Prior to the start of the Interim Use, the Permittee is advised to contact Underground Services Alert for assistance in locating existing utilities at (800) 642-2444. Any utility conduit or pipe encountered in excavations not identified by Underground Services Alert shall be brought to the attention of the Successor Agency's Engineer immediately.

(3) All soils test data and reports prepared based thereon, obtained from these activities shall be provided to the Successor Agency upon request and the Successor Agency may use said data for whatever purposes it deems appropriate, including making it available to others for use in connection with any development. Such data, reports and Successor Agency use shall be without any charge to the Successor Agency.

(4) Any hole drilled shall, if not refilled and compacted at the end of each day's operation, be carefully safeguarded and secured after the completion of each day's work, as shall the drilling work area and any equipment if left on the Permit Area.

7. Insurance: Permittee shall procure and maintain insurance coverage as set forth in **Attachment A** to this permit for the duration of the Permit, including any extensions, insurance against claims for injuries to persons or damages to property which may arise from or in connection with performance of Interim Use by the Permittee, its agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the Permittee. Permittee shall include all subpermittees as insureds under its policies or shall require each subpermittees to furnish separate insurance certificates and endorsements. All coverages for subpermittees shall be subject to all the requirements stated in **Attachment A**.

8. "As Is", Maintenance, Restoration, Vacating: The Permit Area is accepted "**AS IS**" and entry upon the Permit Area by Permittee is an acknowledgment by Permittee that all dangerous places and defects in said Permit Area are known to it and are to be made secure and kept in such secure condition by Permittee. Permittee shall maintain the Permit Area so that it will not be unsafe, unsightly or unsanitary. Upon termination of the Permit, Permittee shall vacate the Permit Area and remove any and all personal property located thereon and restore the Permit Area to its condition at the time of entry. The Successor Agency shall have the right without notice to dispose of any property left by Permittee after it has vacated the Permit Area. Successor Agency makes no representations or warranties, express or implied, with respect to the environmental condition of the Permit Area or the surrounding property (including without limitation all facilities, improvements, structures and equipment thereon and soil and groundwater thereunder), or compliance with any Environmental Laws, and gives no indemnification, express or implied, for any costs of liabilities arising out of or related to the presence, discharge, migration or Release or threatened Release of the Hazardous Substance in or from the Permit Area.

9. Compliance With Laws:

a. Compliance with all Laws: All activities and operations of the Permittee and/or its agents, contractors or employees or authorized entries under this Permit shall be in full compliance with all applicable laws and regulations of the federal, state and local governments, including but not limited to mitigation measures, if any, which are attached hereto and made a part hereof as if set forth in full.

b. Nondiscrimination: The Permittee herein covenants for himself or herself and for all persons claiming in or through him or her that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, gender identity, marital or domestic partner status, disability (including AIDS or HIV status), national origin or ancestry in the use, occupancy or enjoyment of the Permit Area.

10. Security of Permit Area: There is an existing fence with gates around the Permit Area:

Yes ☐ No ☐

If "Yes" is checked above, Permittee shall maintain said fence in good condition and repair any damage caused by Permittee or as a result of the Interim Use. Permittee may relocate the fence as needed, provided that the fence is restored to its original condition upon termination of the permit. During the term of the permit, the Permittee shall keep the Permit Area secure at all times.

11. Early Termination: This Permit may be terminated by the Successor Agency in its sole discretion upon 24 hours' notice. Posting at the Permit Area shall be sufficient notice.

12. Entry under Permittee Authority: The Permit granted Permittee for the Permitted Activities/Operations as defined in Section 2 shall mean and include all subpermittees, agents and employees of the Permittee. In this regard, Permittee assumes all responsibility for the safety of all persons and property and any contents placed in the Permit Area pursuant to this Permit. All Interim Use performed in the Permit Area and all persons entering the Permit Area and all property and equipment placed therein in furtherance of the permission granted herein is presumed to be with the express authorization of the Permittee.

13. Governing Law: This Permit shall be governed by and interpreted under the laws of the State of California.

14. Attorneys' Fees: In any action or proceeding arising out of this Permit, the prevailing party shall be entitled to reasonable attorneys' fees and costs. For purposes of this Permit, the reasonable fees of attorneys of either party shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the attorney's services for either party were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the San Francisco City Attorney's Office.

15. Supplementary Provisions:

a. Is additional insurance required? Yes ☐ No ☐

Additional Insurance: If "Yes" is checked above, Permittee shall obtain additional insurance consisting of insurance protecting against loss or damage to real and personal property caused by fire, water, theft, vandalism, malicious mischief or windstorm, and any other causes contained in standard policies of insurance. Permittee shall supply such insurance in an amount of not less than the replacement value of

the buildings and improvements on the Permit Area, evidenced by a policy of insurance and/or certificate attached hereto in the form and on the terms specified above and with the Successor Agency and the City as additional insured.

b. Is a fence and gate required? Yes ☐ No ☐

Fence and Gate: If "Yes" is checked above, the Permittee shall, at its expense, erect a fence (with gate) securing the Permit Area before entry on the Permit Area and shall maintain said fence and gate in good condition and repair during the Time of Entry as defined in Section 3. Said fence and gate erected by Permittee shall constitute the personal property of Permittee.

c. Is security personnel required? Yes ☐ No ☐

Security Personnel: If "Yes" is checked above, Permittee shall provide necessary security personnel at its own expense to prevent unauthorized entry into Permit Area during:

Daytime: Yes ☐ No ☐ Nighttime: Yes ☐ No ☐

d. Will subpermittees use the Permit Area? Yes ☐ No ☐

Subpermittees: If "Yes" is checked above, each Subpermittee shall execute this Permit by which execution each such Subpermittee agrees to all of the terms, covenants and conditions hereof. However, Subpermittees may be covered under Permittee's insurance in lieu of obtaining and maintaining separate insurance pursuant to Section 7(g). As additional Subpermittees are identified for various aspects of the Interim Use hereunder, they shall execute this Permit, if still valid, or a new permit to enter, before entering the Permit Area or commencing operations therein.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in triplicate as of the _____ day of _____, 20__.

SUCCESSOR AGENCY:

Office of Community Investment
and Infrastructure, Successor Agency
to the Redevelopment Agency of the
City and County of San Francisco,
a public body, organized and existing
under the laws of the State of
California

PERMITTEE:

By: _____

Name:

Title:

By: _____

Sally Oerth
Interim Executive Director

APPROVED AS TO FORM:

By: _____

James B. Morales
General Counsel

ATTACHMENT A

INSURANCE REQUIREMENTS

Subject to approval by the OCII Risk Manager of the insurers and policy forms, Permittee must obtain and maintain, or caused to be maintained, insurance as set forth in this Attachment A 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 of this Attachment A 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	Permittee and Permittee's contractors and subpermittee(s)	Additional insured (see Section G)
Automobile Liability (see Section B.2)	\$1,000,000 per occurrence	Permittee and Permittee's contractors and subpermittee(s)	Additional insured (see Section G)
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	Permittee and Permittee's contractors and subpermittee(s)	Waiver of subrogation
Professional Liability (see Section B.4)	\$2,000,000 per claim/ \$2,000,000 aggregate	Permittee and subpermittee(s) if engaged in any eligible design-related activities; and Permittee's design and professional contractors	None

- B. Minimum Scope and Limits of Insurance. Permittee, subpermittee(s) and/or Permittee'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) in an amount not less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) annual aggregate limit. Umbrella or Excess Liability Policy may be used to meet the terms of this section.
- 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 Permittee does not own any automobiles,

Permittee 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.

- 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 Permittee does not have any employees, then evidence of Workers' Compensation and Employers Liability coverage required herein must be provided by either the Block 2 Project Sponsor(s) or the General Partner of the Partnership, in lieu of such coverage being provided by the Permittee. Additionally, the Permittee must provide a written statement confirming that the Permittee does not have employees.
 - 4) Professional Liability (Errors and Omissions) insurance, applicable to the Permittee's licensed design and professional contractors (architects, engineers, surveyors and other eligible consultants) and to the Permittee only if the Permittee 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 Block 2 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.
- 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 Permittee shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- D. Umbrella or Excess Liability Policies. An Umbrella and/or Excess Liability policy(ies) 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 Permittee maintains additional coverages and/or higher limits than the minimums shown in this Attachment A, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Permittee.

- 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 Permittee'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 Permittee's insurance by OCII will not relieve or decrease the liability of Permittee under this Agreement.
 - 6) OCII and its officers, agents and employees will not be liable for any required premium under any policy maintained by Permittee.
 - 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 the Compliance Term for general liability insurance.
- G. Verification of Coverage. Permittee 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. Permittee shall require and verify that its contractors and consultants maintain the required policies as stated herein. Permittee 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 (Permittee, subpermittee, or contractor), the Block 2 Project name, and the Block 2 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 Permittee 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.

ATTACHMENT 7

DESIGN REVIEW AND DOCUMENT APPROVAL PROCEDURE FOR
TRANSBAY BLOCK 2

ATTACHMENT 7

DESIGN REVIEW AND DOCUMENT APPROVAL PROCEDURE FOR TRANSBAY BLOCK 2

BACKGROUND

This Design Review and Document Approval Procedure for Transbay Block 2 ("DRDAP") sets forth the procedure for design submittals by the applicant of the plans and specifications for the development of Block 2 of Zone 1 ("Site") of the Transbay Redevelopment Project Area ("Project Area") (herein, submissions for "Project Approval" by the Office of Community Investment and Infrastructure ("OCII")). The Development Program for the Site is as described in Attachment 3 and consists of two below-market-rate residential projects each with ground-floor retail; a publicly accessible pedestrian mews internal to the two projects; associated streetscape improvements on Folsom Street, Main Street and Beale Street; public and private open spaces; and other permanent structures. In addition to the Site's Development Program, the Block 2 design scope of work shall include design coordination with the development team for Block 3 (Transbay Park) for the portion of Clementina Street to be constructed between Block 2 and Block 3, as outlined in this document. Other departments and agencies of the City and County of San Francisco ("City Agencies") shall review Block 2 plans and specifications for compliance with applicable City and County of San Francisco ("City") regulations.

Documents for Project Approval

Project Approval documents shall consist of four components or phases:

- Basic Concept Design Alternatives,
- Schematic Design Documents, Design Development Documents, and
- Final Construction Documents.

Detailed submission requirements are outlined in Exhibit 1.

Scope of Review

OCII shall review and approve Basic Concept Design Alternatives, Schematic Design Documents, Design Development Documents and Final Construction Documents and may at its discretion consult with the San Francisco Planning Department, the San Francisco Department of Building Inspection ("DBI"), and other City Agencies. Each design component, as defined below, shall be reviewed for conformity with any prior approvals, the Redevelopment Plan for the Transbay Redevelopment Project Area ("Redevelopment Plan") and accompanying Plan Documents, including but not limited to the Development Controls and Design Guidelines for the Transbay Redevelopment Project ("Development Controls"), the Transbay Redevelopment Project Area Design for Development, and the Transbay Redevelopment Project Area Streetscape and Open Space Concept Plan ("Streetscape Plan"). OCII's review shall include consideration of such items as the architectural design, site planning, streetscape design and landscape design as applicable and appropriate to each submittal.

Timing

The redevelopment of Zone 1 of the Project Area established by the Redevelopment Plan and the Development Controls is a priority project for the City and OCII. OCII shall review all applications for Project Approvals as expeditiously as possible. OCII staff shall keep the applicant informed of OCII's review and comments, as well as comments by City Agencies, other government agencies, or community organizations consulted by OCII, and shall provide applicant opportunities to meet and confer with OCII and City staff prior to Commission on Community Investment and Infrastructure ("CCII") hearings, to review the specific application for Project Approval.

Other Project Approval Requirements

Mitigation Monitoring Report

For OCII approval, the applicant shall submit a mitigation plan regarding its compliance with the Mitigation Monitoring and Reporting Program ("MMRP") as previously adopted by the Former Agency and as amended from time to time pursuant to the California Environmental Quality Act ("CEQA"), which must be approved by OCII prior to or commensurate with its OCII review of the Site Permit(s). The mitigation measures are a part of the Final Environmental Impact Statement/ Environmental Impact Report for the Project Area ("EIS/EIR"). The mitigation measures are intended to reduce the major impacts of this development on the environment. OCII shall review such mitigation plan to ensure compliance with CEQA and the adopted MMRP. After start of construction activities, the applicant shall submit quarterly reports to OCII staff documenting compliance with the MMRP. After completion of construction activities and prior to receiving a final certificate of occupancy, the applicant shall submit to OCII staff a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the MMRP.

Cooperation by Applicant

In addition to the required information set forth in Exhibit 1 attached hereto, the applicant shall submit materials and information as OCII staff may reasonably request which are consistent with the type of documents listed in Exhibit 1 and which are required to clarify a submittal provided pursuant to this DRDAP. Additionally, the applicant shall cooperate with, and participate in, design review presentations to the CCII and to the public through the Transbay Citizens Advisory Committee ("CAC").

Community Review of Design Submittals

OCII staff will provide the CAC, its designee, or successor, with regular updates on the Project Approval review process. Once a submittal is deemed complete, OCII staff will schedule CAC meetings to allow adequate review by CAC and community members before further approvals.

Before bringing Schematic Design proposals to the CCII for consideration, the applicant shall bring its design proposal before the CAC, its designee, or successor, for a recommendation to the CCII. The applicant shall provide the CAC with sufficient presentation materials to fully describe design submittals, using the submission materials described in Exhibit 1 and/or other presentations materials as determined by OCII staff.

BASIC CONCEPT DESIGN REVIEW

Basic Concept Design Alternatives shall be submitted to OCII for review and consideration. Basic Concept Design Alternatives shall consist of massing studies evaluating various height thresholds and building configurations for Blocks 2 East and 2 West, as requested by OCII. Design Alternatives shall be evaluated according to the following criteria: 1) maximization of the development site and alignment with the development program areas as outlined in the Transbay Block 2 Request for Proposals (“RFP”), 2) financial feasibility (cost per unit in line with that of comparable projects and costs and program in alignment with scoring criteria for anticipated funding sources, to the extent feasible), 3) architectural and urban design considerations, including a variety of building heights, reduction of the appearance of bulk, building articulation, visual interest, ground-floor activation and distinctive but cohesive massing between the two building structures 4) preliminary shadow analysis of the proposed massing as compared to the maximum building envelope allowed per the 2016 Development Controls and Guidelines (“DCDG”). Basic Concept Design Alternatives for Blocks 2 East and 2 West shall be submitted concurrently, in a single package for OCII review.

Timing

OCII staff shall review the Basic Concept Design Alternatives. OCII staff will review all submittals as expeditiously as possible, seeking to perform its review of Basic Concept Alternatives within thirty (30) calendar days from receipt of the submittal and fifteen (15) calendar days of submittal of revisions. If revisions are made after an original design approval by the CCII, and the revisions are determined to be required to be resubmitted to the CCII, the CCII shall either approve or disapprove such resubmitted or corrected documents as soon as practicable.

SCHEMATIC DESIGN REVIEW

Schematic Design Documents shall be submitted to OCII for review and consideration. Schematic Design Documents shall further develop the preferred Basic Concept design massing alternative and include the items and deliverables as outlined in Exhibit 1. The Schematic Design Documents will serve as the project proposal that is considered for approval by the CCII and will constitute the Block 2 development entitlement. In addition to the Block 2 East and 2 West base Schematic Design scope of work, the applicant shall, in coordination with the Block 3 development, reference the most recent design plans, as they are available, for the Clementina Street parcel in their Schematic Design Documents. The Block 3 development is charged with detailed design and construction of the Clementina parcel; however, design coordination between the project teams during all design phases is required to ensure continuity in streetscape design and circulation between the Site and the future park. Design coordination between the project teams shall include special attention to the sidewalk, setback and curb zone adjacent to Blocks 2 East and 2 West, where the mixed-use project interfaces with the future Clementina Street.

Timing

OCII staff shall review the Schematic Design Documents for completeness. OCII staff will review all submittals as expeditiously as possible, seeking to advise the applicant in writing of any deficiencies within fifteen (15) calendar days following receipt of the applicant's Schematic Design submittal. OCII staff will endeavor to complete its review within sixty (60) calendar days from the date the Schematic Design Documents have been determined to be complete. OCII shall take such reasonable measures necessary to comply with the time periods set forth herein.

The CCII shall review and approve, conditionally approve or disapprove the application for Schematic Design. If the CCII disapproves the Schematic Design Documents in whole or in part, the CCII shall set

forth the reasons for such disapproval in the resolution adopted by the CCII. If the CCII conditionally approves the Schematic Design Documents, such approval shall set forth the concerns and/or conditions on which the CCII is granting approval. If the CCII disapproves an application in part or approves the application subject to specified conditions, then, in the sole discretion of the CCII, the CCII may delegate approval of such resubmitted or corrected documents to the OCII Executive Director or her or his designee.

The applicant and OCII may agree to any extension of time necessary to allow revisions of submittals. OCII shall review all revisions as expeditiously as possible. If revisions made after an original design approval by the CCII, and the revisions are determined to be required to be resubmitted to the CCII, the CCII shall either approve or disapprove such resubmitted or corrected documents as soon as practicable.

Document Submittals

Schematic Design Documents shall include the items and deliverables as listed in Exhibit 1 attached hereto. OCII staff may waive certain document submittal requirements if OCII staff determines such documents are not necessary for the specific application. The Schematic Design Documents for Blocks 2 East and 2 West shall be submitted concurrently in a comprehensive and cohesive package.

DESIGN DEVELOPMENT REVIEW

Applicant shall submit Design Development Documents for review and either approval, conditional approval, or disapproval by OCII design review staff, following approval of the Schematic Design.

Scope

OCII staff shall review the Design Development Documents for consistency with earlier approved documents, the Redevelopment Plan and other Plan Documents, including the Development Controls and the Streetscape Plan. Design Development Documents will relate to design development level of detail for a specific project. The purpose of this submittal is to expand and develop the Schematic Design Documents incorporating changes resulting from resolution of any conditions of approval of the Schematic Design Documents and to prepare drawings and other documents as to architectural, structural, mechanical and electrical systems. The applicant shall coordinate with the Block 3 development and refer to the Schematic Design and/or Design Development plans for the Clementina Street parcel in their Design Development Documents. Design coordination between the project teams and the Block 3 development team during all design phases is required to ensure continuity in streetscape design and circulation between the Site and the future park. Design coordination between the project teams shall include special attention to the sidewalk, setback and curb zone adjacent to Blocks 2 East and 2 West, where the mixed-use project interfaces with the future Clementina Street.

Timing

OCII staff shall review the Design Development Documents for completeness and general consistency with the Schematic Design Documents. OCII staff will review all submittals as expeditiously as possible and will endeavor to advise the applicant in writing of any deficiencies within twenty-one (21) calendar days after the receipt of the Design Development Documents. OCII staff will endeavor to complete its review within sixty (60) calendar days from the date the Design Development Documents were determined to be complete. OCII staff shall take such reasonable measures necessary to comply with the time periods set forth herein. If the Design Development Documents deviate substantially from the approved Schematic Design Documents, do not meet the conditions outlined in the approval of the Schematic Design

Documents, or extensive revisions or clarifications to the Design Development are required, the above-mentioned time periods may be extended at OCII Executive Director's discretion.

The applicant and OCII may agree to any extension of time necessary to allow revisions of submittals. OCII shall review all revisions as expeditiously as possible. If revisions made after an original design approval by the CCII, and the revisions are determined to be required to be resubmitted to the CCII, the CCII shall either approve or disapprove such resubmitted or corrected documents as soon as practicable.

Document Submittals

Design Development Documents shall include the items and deliverables as listed in Exhibit 1 attached hereto. OCII staff may waive certain document submittal requirements if OCII staff determine such documents are not necessary for the specific application. Design Development Documents may be provided in separate packages for each Block 2 East and Block 2 West.

FINAL CONSTRUCTION DOCUMENT REVIEW

Scope/Timing

Final Construction Documents will relate to the construction documents' level of detail for a specific project. The purpose of this submittal is to expand and develop the Design Development Documents to their final form, prepare drawings and specifications in sufficient detail to set forth the requirements of construction of the project and to provide for permitting. Final Construction Documents may be divided and submitted in accordance with an addenda schedule for the project approved in writing in advance by the City's Department of Building Inspection and OCII design review staff or their designee. Provided the applicant's Final Construction Documents are delivered to OCII design review staff concurrently with submittal to the Department of Building Inspection, Final Construction Documents OCII staff will endeavor to review the Final Construction Documents within thirty (30) calendar days following OCII staff's receipt of such documents from and approved by the Department of Building Inspection and any other appropriate City Agencies with jurisdiction.

Document Submittals

Documents submitted at this phase in the design review will relate to the construction documents level of detail for a specific project. The Final Construction Documents submittal shall include the information specified for the Design Development Documents in Exhibit 1 attached hereto. Final Construction Documents may be provided in separate packages for each Block 2 East and Block 2 West.

COMPLIANCE WITH OTHER LAWS AND PERMITS

No OCII or CCII review will be made or approval given as to the compliance of the Design Development Documents or Final Construction Documents with any building codes and standards, including building engineering and structural design, or compliance with building codes or regulations, or any other applicable state or federal law or regulation relating to construction standards or requirements, including, without limitation, compliance with any local, state or federal law or regulation related to the suitability of the improvements for use by persons with physical disabilities.

OCII Review of City Permits

No demolition, new construction, tenant improvement, alteration, or signage permit shall be issued by the Department of Building Inspection unless OCII has reviewed and approved the Site Permit application(s).

Subdivision Map Review

The review and approval of Project Approval applications by OCII pursuant to this DRDAP are in addition to and do not waive the requirements for subdivision review and approval as specified in the Subdivision Map Act. The processing of a subdivision map may occur concurrently with or independently of a Project Approval.

Temporary and Interim Uses

OCII staff shall review applications for temporary and interim uses for approval, conditional approval or denial based on compatibility with surrounding land uses and compliance with the Redevelopment Plan and the Plan Documents.

Site Permits

Applicant may apply for a Site Permit after approval of the Schematic Design Documents but prior to approval of the Design Development Documents or the Final Construction Documents at its own risk and with OCII consent.

Notwithstanding the foregoing, the applicant may also apply for City permits related to grading and excavation activities prior to OCII's approval of the Design Development Documents, provided that OCII design review staff approves such activities prior to issuance of any City permits. Grading and excavation are often the first two permits.

Pursuant to such Site Permit process, the Final Construction Documents may be divided and submitted to the Department of Building Inspection in accordance with an addenda schedule for the project approved in writing in advance by OCII and the Department of Building Inspection. Construction may proceed after the appropriate Site Permit addenda have been issued, including, for example, and without limitation, addenda for foundations, superstructure, and final building build-out. In no case shall construction deviate from, or exceed the scope of, the issued addenda.

MODIFICATIONS AND AMENDMENTS TO PROJECT APPROVAL

OCII staff may, by written decision, approve Project Approval applications which amend or modify the previously approved project, provided that OCII the following determinations are made:

- (1) the Project Approval requested involves a deviation that does not constitute a material change;
- (2) the requested Project Approval will not be detrimental to the public welfare or injurious to the property or improvements in the vicinity of the project; and
- (3) the granting of the Project Approval will be consistent with the general purposes and intent of the Transbay Redevelopment Plan, Development Standards and Design Guidelines, and other Plan Documents.

In the event that OCII determines that the project application deviates materially from the project already approved by OCII, the CCII and City Agencies will review the submittal of an amended project application in accordance with the provisions herein.

Major amendments and modifications will be processed in accordance with this DRDAP.

GOVERNMENT REQUIRED PROVISIONS, CHANGES

OCII and the applicant acknowledge and agree that neither one will delay or withhold its review or approval of those elements of or changes in the Schematic Design Documents, Design Development Documents or Final Construction Documents which are required by any City agency, including the City's Department of Building Inspection, the Fire Marshall, or any other government agency having jurisdiction; provided, however, that (i) the party whose review or approval is sought shall have been afforded a reasonable opportunity to discuss such element of, or change in, documents with the governmental authority requiring such element or change and with either the applicant's or OCII staff, as the case may be, and (ii) the applicant or OCII shall have reasonably cooperated with the other and such governmental authority in seeking such reasonable modifications of such required element or change as the other shall deem necessary or desirable. The applicant and OCII each agree to use its diligent, good faith efforts to obtain the other's approval of such elements or changes, and its request for reasonable modifications to such required elements or changes, as soon as reasonably possible.

EXHIBIT 1: DOCUMENTS TO BE SUBMITTED FOR PROJECT APPROVALS

During each phase of the project design review process, OCII design review staff and the applicant shall agree upon the scale of the drawings for project submissions. OCII staff and the applicant shall also discuss and agree upon the scope of the subsequent project submissions recognizing that each project is unique and that all documents outlined herein may not be required for each project.

Design Development Documents and other Construction Documents to be submitted shall be prepared by an architect licensed to practice in and by the State of California.

The applicant shall submit a report outlining compliance with the adopted Mitigation and Monitoring Program with each phase of design review.

SCHEMATIC DESIGN DOCUMENTS

Six (6) hard copies of the Schematic Design Documents shall be submitted to OCII, as well as one digital file (PDF). Documents submitted at this phase in the design review will relate to schematic design level of detail for a specific project. The program of uses, the height of buildings or other factors in the proposed project may trigger some variation in the submittal requirements in order to illustrate consistency with standards and guidelines in the Redevelopment Plan, Development Controls, the Streetscape Plan, the EIS/EIR and other Plan Documents. Schematic Design Documents shall illustrate building height, building bulk, block development, streetscape installation and public infrastructure designs. A Schematic Design submittal shall include the following documents.

A. Written Statement:

Each submittal shall include a table of contents and written statement of the design strategy and the size and use of proposed land uses; conformance with the Development Controls and sustainability measures to be implemented by the proposed development; descriptions of the structural and energy systems and principal building materials; and floor area calculations.

If the applicant proposes variations to the regulatory documents, including but not limited to, the Redevelopment Plan, the Development Controls or the Streetscape Plan, the written statement shall include arguments providing the justifications for each proposed variation.

B. Data Charts:

Data charts should provide detailed development program information, including:

- a) Area of the development parcel in square feet
- b) Total building area in square feet
- c) Development Parcel Lot Coverage
- d) Program of building uses and approximate gross square footage ("GFA") of each use by floor. Building uses may include, but are not limited to: Residential, Commercial, Common/Amenity Space, Parking, Loading, Utility/MEP, Circulation, Private Residential Open Space, Public, Shared and Private Open Spaces

- e) Total Residential unit count including affordable units, unit sizes measured in net square feet per BOMA standards, unit types (e.g. number of bedrooms) by floor, and percentage of unit types
- f) Open Space areas meeting the requirements of the Development Controls in square feet
- g) Number of on- and off-street automobile parking, bike parking and loading spaces, including car-share spaces

C. Schematic Design Drawings

1) Vicinity Plan:

In addition to the Site Plan for the immediate area of the project under review, a diagrammatic vicinity plan should be submitted showing the project in the context of planned and existing:

- a) Land uses, particularly retail facilities
- b) Vehicular, transit, bicycle and pedestrian circulation
- c) Public open space and community facilities

2) Site Plan:

The Site Plan will pertain to the total area of development and improvement included in this project which may include required streets, open space and other existing infrastructure improvements. A Site Plan or Plans as needed (at a scale of 1" = 40'-0" or another appropriate scale as agreed to by OCII staff), should indicate the location of uses; the general location, scale, relationship, and orientation of buildings; the general Site circulation and relationship of ground floor uses, and:

- a) Parcel boundaries and dimensions. The Site Plan shall reference the Clementina Street parcel Schematic Design, including right-of-way dimensions, street centerlines and sidewalk dimensions, in coordination with the Block 3 development.
- b) Building footprints showing location of proposed uses and dimensions of building setbacks
- c) Public Open Space, Shared Open Space and Private Open Space areas with dimensions
- d) Existing Site Plan, including but not limited existing parcel boundaries and dimensions, existing structures, existing right-of-way boundaries, existing streetscape and infrastructure
- e) Parking and Loading Facilities (including interim facilities)
- f) Circulation Diagram including entrances and emergency access/egress for pedestrians, vehicles, bicycles and service vehicles. Circulation Plans shall include the Clementina Street parcel.
- g) An Illustrative Site Plan may be included in addition to the detailed Site Plan, illustrating the overall architectural character and relationship of the project to the public realm; this may serve as a graphic exhibit for the CCII and general public.

3) Building and Landscape Plans:

Building Plans, Elevations, Sections and Three-dimensional Diagrams sufficient to describe the building location, orientation and massing including relevant dimensions, labels and key maps.

- a) Building Plans for each building level, including the roof level, describing the development program and room locations, floor layout, property lines and setback dimensions, finished floor elevations, circulation, open spaces and residential unit types. Scale: minimum 1/16"=1' (or another appropriate scale as agreed to by OCII staff).
- b) Building Sections indicating building heights, rooftop mechanical dimensions, mechanical screening and enclosure dimensions, parapet heights, property lines and setback dimensions, vertical and horizontal building dimensions, floor-to-floor heights, finished floor elevations, dimensions of all building projections extending over setback and property lines, ramp location and slope and sidewalk grade. Scale: minimum 1/16"=1'-0" (or another appropriate scale as agreed to by OCII staff).
- c) Building Elevations and Materials Palette describing the architectural character and materiality of all building frontages, including interior courtyard elevations and enlarged elevations where needed to illustrate a greater level of detail. Label all property lines, setbacks, floor levels and maximum dimensions of future exterior signage locations. Illustrate, at a conceptual level, all balconies, stoops, gates, fences, building entrances, garage doors, canopies and awnings, rooftop elements and open spaces. Label or include a legend to identify all exterior building materials and glazing types. Scale: minimum 1/16"=1' 0" (or another appropriate scale as agreed to by OCII staff).
- d) Landscape Plans, Sections and Materials Palette, integrated with building and utility plans and referencing the Clementina parcel Schematic Design, describing the general landscape design for public, private common and private open spaces, including setback areas. Label all property lines and setback dimensions. Landscape plans should include proposed materials, paving types and dimensions, planter locations and dimensions, tree types and spacing, pedestrian paths, curb cuts and ramps, Emergency Vehicle Access (EVA) path-of-travel, lighting, landscape furnishings and bollards. The sample plant palette shall conform to the goals established by applicable San Francisco Biodiversity Policy Resolution. Plans shall include precedent images referencing lighting types. Scale: minimum 1/16"=1'0" (or another appropriate scale as agreed to by OCII staff).
- e) Special building features including, but not limited to, shading, screening, cladding, projections, and storefront design described by enlarged plans, sections, elevations and close-up renderings.
- f) Three-Dimensional Perspectives, Sketches and Renderings: Axonometric views, perspectives, sketches and renderings of the project (and other appropriate illustrative materials as requested by OCII staff) to represent the overall architectural character and relationship of the project to the public realm. At the least, provide two (2) block-level axonometric views and three (3) eye-level illustrative renderings.

4) Infrastructure Plans:

- a) Existing Site infrastructure and streetscape, including proposed demolition or relocation of existing structures, utilities, infrastructure, street trees, curb cuts or streetscape elements. Reference the Clementina parcel Schematic Design and ensure integration with the Site's infrastructure and streetscape elements.

- b) Proposed roadway and streetscape improvements (including pathways) and the dimensions thereof. Reference the Clementina parcel Schematic Design and ensure integration with the Site's streetscape improvements,
- c) Off-site transportation measures required as part of the Mitigation and Monitoring program (if any); and
- d) Utilities, including water, wastewater, and dry utilities. Include preliminary stormwater treatment calculations. Reference the Clementina parcel Schematic Design and ensure integration with the Site's utilities and services.

5) Phasing Plan:

Within the project, any anticipated phasing of construction or temporary improvements, including temporary or interim parking facilities, construction staging areas, and interim infrastructure, if any, shall be indicated. Address construction phasing and access to the Site considering anticipated Clementina Street buildout.

6) Model:

A three-dimensional model shall be submitted to OCII which shall be prepared at an appropriate scale indicating the exterior building design including façade articulation and materiality. In the event that CAC and CCII meetings are held via video call at the time of approval of the Schematic Design Documents, the model may be digital, subject to advance approval of OCII staff.

7) Materials Board:

Physical samples of proposed building and landscape materials and exterior colors shall be submitted to OCII for review and approval.

DESIGN DEVELOPMENT DOCUMENTS

The purpose of documents submitted at the Design Development design review phase is to advance and further develop the Schematic Design, incorporating changes resulting from resolution of OCII feedback and Conditions of Approval established during the Schematic Design phase and to prepare drawings and other documents as to architectural, structural, mechanical and electrical systems.

The Design Development Documents submission should generally be consistent with the Schematic Design approval. Any substantive changes will require CCII approval.

1. Data Charts:

Data charts should provide detailed development program information, including:

- a) Drawing Sheet Index
- b) Area of the development parcel in square feet
- c) Total building area in square feet
- d) Development Parcel Lot Coverage

- e) Program of building uses and approximate gross square footage (“GFA”) of each use by floor. Building uses may include, but are not limited to: Residential, Commercial, Common/Amenity Space, Parking, Loading, Utility/MEP, Circulation, Private Residential Open Space, Public, Shared and Private Open Spaces
- f) Total Residential unit count including affordable units, unit sizes measured in net square feet per BOMA standards, unit types (e.g. number of bedrooms) by floor, and percentage of unit types
- g) Open Space areas meeting the requirements of the Development Controls in square feet
- h) Number of on- and off-street automobile parking, bike parking and loading spaces, including car-share spaces

2. Site Plans:

- a. Parcel boundaries and dimensions. The Site Plan shall reference the Clementina Street parcel Schematic Design and/or latest Design Development drawings, including right-of-way dimensions, street centerlines and sidewalk dimensions, in coordination with the Block 3 development.
- b. Building footprints showing location of proposed uses and dimensions of building setbacks. Include all existing structures, right-of-way boundaries and sidewalks adjacent to the Site.
- c. Demolition Plans
- d. Public Open Space, Shared Open Space and Private Open Space areas with dimensions
- e. Parking and Loading Facilities (including interim facilities)
- f. Circulation Diagram including entrances and emergency access/egress for pedestrians, vehicles, bicycles and service vehicles. Circulation Plans shall include the Clementina Street parcel.
- g. Utility and service plans, including connections to existing and proposed utilities
- h. Grading plans depicting proposed sidewalk grade and ground-level finished floor elevations
- i. Site drainage and roof drainage

3) Building and Landscape Plans:

- a. Building Plans for each building level (including the structural system) describing the development program and room locations, floor layout, property lines and setback dimensions, finished floor elevations, circulation, open spaces and residential unit types. The roof plan shall include locations and dimensions for all rooftop mechanical equipment, mechanical screening and roof drainage. Scale: minimum 1/8"=1' (or another appropriate scale as agreed to by OCII staff).
- b. Building Sections indicating building heights, rooftop mechanical dimensions, mechanical screening and enclosure dimensions, parapet heights, property lines and setback dimensions, floor-to-floor heights, finished floor elevations, dimensions of all building projections extending over setback and property lines, underground facilities, ramp location and slope and sidewalk grade. Scale: minimum 1/8"=1'-0" (or another appropriate scale as agreed to by OCII staff).

- c. Building Elevations of all building frontages, supported by enlarged interior courtyard elevations and storefront elevations. Indicate all exterior and interior courtyard façade materials and glazing, property lines, setbacks, floor levels and maximum dimensions of future exterior signage locations. Label and dimension balconies, stoops, gates, fences, building entrances, garage doors, canopies and awnings, rooftop elements and open spaces. Scale: minimum 1/8"=1'0" (or another appropriate scale as agreed to by OCII staff).
- d. Landscape Plans, Sections, Materials Palette and Design Details describing the design for all ground- and upper-level public, private common and private open spaces, including setback areas. Label all property lines and setback dimensions. Landscape plans should include proposed materials, paving types and dimensions, planter locations and dimensions, tree types and spacing, pedestrian paths, curb cuts and ramps, Emergency Vehicle Access (EVA) path-of-travel, lighting, landscape furnishings and bollards. Plant palette shall conform to the goals established by applicable San Francisco Biodiversity Policy Resolution. Scale: minimum 1/16"=1'0" (or another appropriate scale as agreed to by OCII staff).
- e. Detailed Streetscape Plans for Clementina, Main, Beale and Folsom Street public and pedestrian realm improvements. Clementina streetscape improvements shall be developed in coordination with the Block 3 development and all streetscape improvements are subject to additional review and approval by applicable City agencies.
- f. Wall Sections and Details including, but not limited to, exterior cladding systems, mechanical screening, storefronts, projections, canopies and parapets at an appropriate scale (1/8" minimum).
- g. Master Signage Plan identifying all sign locations, dimensions, materials, colors, graphics and typeface. Interior and Retail Storefront signage details may be deferred to a separate Master Signage Plan submittal submitted during the Construction Document phase for OCII review and approval.
- h. Lighting Plan identifying all exterior lighting locations, fixtures, materials and relevant photometric studies.
- i. Security Plan identifying public and private realm security measures and features.
- j. Three-Dimensional Perspectives, Sketches and Renderings: Axonometric views, perspectives, sketches and renderings of the project to represent the overall architectural character and relationship of the project to the public realm.
- k. Structural, Mechanical, Electrical and Plumbing system drawings.
- l. Materials and Colors Samples as they may vary from the approved Schematic Designs.
- m. Scope and Plans for an Architectural Design Mock-up, including primary building materials, color palette, wall systems, glazing and detail installation. OCII staff shall approve a) mock-up plans prior to mock-up construction, and b) mock-up materials, as per Construction Documents, and their application, after OCII's staff mock-up observations and prior to materials purchases and shipping.
- n. Outline of Specifications for architectural and landscape materials and methods of construction.

FINAL CONSTRUCTION DOCUMENTS

Documents submitted at this phase in the design review will relate to the construction documents level of detail for a specific project. The purpose of this submittal is to expand and develop the Design Development Documents, prepare drawings and specifications in sufficient detail to set forth the requirements of construction of the project and to provide for permitting.

The Final Construction Documents shall generally be consistent with the approved Design Development Documents. The Final Construction Documents shall comply with the requirements of the City's Department of Building Inspection, including Site Plans and Construction Drawings and Specifications ready for bidding. In addition, the applicant shall submit a presentation of all exterior color schedules including samples, if appropriate, and design drawings for all exterior signs and graphics prior to completed construction. OCII architectural staff and applicant shall continue to work to resolve any outstanding design issues, as necessary.