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San Francisco, CA 94103

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PUBLIC IMPROVEMENT AGREEMENT

(Sunnydale Phase 3 and 4)

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(SUNNYDALE PHASE 3 AND 4)

This PUBLIC IMPROVEMENT AGREEMENT (SUNNYDALE PHASE 3 AND 4) (this “**Agreement**”) dated for reference purposes only as of December 19, 2024, is entered into as of December 17, 2024 (the “**Effective Date**”), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation of the State of California (“**City**”) and SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC, a California limited liability company, its successors and assigns (“**Subdivider**”).

RECITALS

A. Subdivider is an affiliate of Sunnydale Development Co. LLC, a California limited liability company (the “**Master Developer**”). The Master Developer, the Housing Authority of the City and County of San Francisco, a public body, corporate and politic (“**Authority**”), and the City, acting by and through the Mayor’s Office of Housing and Community Development (“**MOHCD**”), are parties to the Master Development Agreement dated as of March 3, 2017, and recorded in the Official Records of the City and County of San Francisco (the “**Official Records**”) on March 3, 2017 as Document No. K416598-00 (the “**MDA**”). The Master Developer has assigned its rights and obligations related to infrastructure development under the MDA to Sunnydale Infrastructure, LLC, a California limited liability company (“**Sunnydale Infrastructure**”), pursuant to that certain Construction License Agreement dated February 4, 2019 between the Authority and Sunnydale Infrastructure. Sunnydale Infrastructure assigned its rights and obligations related to the infrastructure development under the MDA to Subdivider pursuant to that certain Assignment, Assumption and Estoppel Agreement dated November 12, 2021 between Sunnydale Infrastructure and Subdivider, with the consent of the Authority.

B. Pursuant to that certain Development Agreement dated as of March 3, 2017, by and among Master Developer, the Authority, and the City and recorded in the Official Records of the City and County of San Francisco (the “**Official Records**”) on March 3, 2017 as Document No. K416604-00 (“**DA**”), Subdivider, as assignee of Master Developer’s rights and obligations related to infrastructure development under the DA, is engaged in subdividing the

portion of the 48.8 acre Sunnydale HOPE SF project site that is subject to proposed “Final Map No. 12077” (“**Final Map**”), as shown therein (“**Property**”). A tentative subdivision map, entitled “Tentative Subdivision Map 9537 for condominium and other purposes” (“**Tentative Map**”), for the proposed subdivision of the Sunnydale HOPE SF project site, including the Property, was approved by the Director of the Department of Public Works (“**Director**” with references to Director also including the Director’s designee where authorized by law), acting as the advisory agency for purposes of the Subdivision Map Act (“**Advisory Agency**”), subject to certain requirements and conditions contained in the Director’s Conditions of Approval dated April 19, 2019 (“**Conditions of Approval**”).

C. Pursuant to the San Francisco Subdivision Code (the “**Code**”), the San Francisco Subdivision Regulations (“**Subdivision Regulations**”), the Tentative Map, and the Conditions of Approval, the Final Map irrevocably offers for dedication (i) interests of real property (Lots I, J, and K) for public street and utilities use, (ii) right-of-way easements for public street and utilities use for portions of Sunnydale Avenue, Blythdale Avenue, and Brookdale Avenue, and (iii) public improvements from the Subdivider, as described herein.

D. Public Works Order No. 211190 granted certain exceptions and modifications to the Code and Subdivision Regulations pertaining to design and construction of the Sunnydale HOPE SF Phase 3 and 4 Required Infrastructure and deferral of documents as defined below.

E. Pursuant to the MDA and DA, Subdivider is obligated to construct horizontal infrastructure and public improvements on the street and utilities lots. The infrastructure and public improvements contemplated for the Sunnydale HOPE SF project site, including the Property, are described in the Sunnydale HOPE SF Master Infrastructure Plan (the “**Infrastructure Plan**”) attached to the DA and as may be amended from time to time, and the Sunnydale HOPE SF Streetscape Master Plan dated October 2, 2018, as may be amended from time to time (the “**Streetscape Master Plan**”), the Tentative Map, and the final map for each phase of the Sunnydale HOPE SF project. Such public improvements for the Property are more particularly described in those certain improvement plans identified in Exhibit A (as such plans are revised from time to time, the “**Plans and Specifications**”). The Plans and Specifications for Sunnydale Phase 3 and 4 provide for the construction, installation, and completion of the public

improvements identified therein (the “**Sunnydale Phase 3 and 4 Required Infrastructure**”). The Plans and Specifications also provide for private improvements in the public right-of-way to be owned, operated, and maintained by the Subdivider, fronting property owner, or other private entity approved by the City (“**Private Infrastructure**”), which will be permitted as encroachments under an annexation to the Master Encroachment Permit approved by the City Board of Supervisors (“**Board of Supervisors**”) in Resolution 338-22 (“the **Sunnydale MMEP**”). The Plans and Specifications also provide for City infrastructure that may be owned by the City and operated and maintained in perpetuity by the Subdivider, fronting property owner, or other private entity approved by the City (the “**Privately Maintained Public Infrastructure**”), which may be permitted under the Sunnydale MMEP or a separate Master Encroachment Permit, subject to Board of Supervisors approval. The forms of infrastructure mentioned above collectively comprise the Sunnydale Phase 3 and 4 Required Infrastructure and the estimated costs of completing the Sunnydale Phase 3 and 4 Required Infrastructure are described in Exhibit B hereto (the “**Estimated Costs**”). Copies of the Plans and Specifications are on file with the San Francisco Department of Public Works (“**Public Works**”).

F. Construction of the Sunnydale Phase 3 and 4 Required Infrastructure will be authorized after this Agreement under Street Improvement Permit No. 24IE-00412 (the “**Street Improvement Permit**”), which will authorize Subdivider to construct the Sunnydale Phase 3 and 4 Required Infrastructure, all as defined in the Street Improvement Permit. While the Street Improvement Permit will authorize the work described therein, that permit will not provide for acceptance of the subject improvements; instead, work performed under the Street Improvement Permit is subject to acceptance pursuant to Section 6 of this Agreement and the Code. This Agreement shall govern security for, and acceptance of, any portion of the Sunnydale Phase 3 and 4 Required Infrastructure constructed pursuant to the Street Improvement Permit. Security required by Subdivider under this Agreement will be provided to the City by Subdivider as set forth herein.

G. Notwithstanding any contrary provision of this Agreement, Subdivider acknowledges that prior to Board of Supervisors’ approval of the Final Map and this Agreement, construction of any portion of the Sunnydale Phase 3 and 4 Required Infrastructure under a street improvement permit, excavation permit, or any other Public Works approval shall be performed

at Subdivider's sole risk, and that the Director retains complete discretion and authority to require modification or relocation of, or any other change to, the Sunnydale Phase 3 and 4 Required Infrastructure to the extent that such changes result from the Director's review of the Final Map and this Agreement as approved by the Board of Supervisors, and the Director makes no representations about the City's intent or willingness to issue a Notice of Completion for or Accept (as defined in Section 6(a)-(b)) any portion of the Sunnydale Phase 3 and 4 Required Infrastructure; provided, however, that nothing herein is intended to affect the rights and obligations of the parties to comply with their respective obligations under the DA, including review procedures for Sunnydale Phase 3 and 4 Required Infrastructure to the extent set forth therein.

H. The Code provides that before a final subdivision map or parcel map is approved by the City, the subdivider shall have either (i) installed and completed all of the public improvements required by the City and detailed in the plans and specifications approved by the Director, or (ii) entered into an agreement with the City to install and complete, free of liens, all of such public improvements within a definite period of time and provided appropriate security to ensure and secure satisfactory completion of the work. The City acknowledges that the following encumbrances recorded against the Property do not constitute a lien as described in the foregoing sentence: 1) that certain Use Agreement recorded concurrently with this Agreement in the Official Records (the "**Use Agreement**"), and 2) the Memorandum of Ground Lease recorded concurrently with this Agreement in the Official Records (the "**Ground Lease**").

I. The City and the Subdivider, desire to enter into this Agreement in order to permit the approval and recordation of the Final Map by the City (including the dedications contained therein), to implement the Conditions of Approval, and to simultaneously satisfy the security provisions of the Subdivision Map Act, the Code, and the DA.

J. The terms "Sunnydale Phase 3," "Sunnydale Phase 3 and 4," and "Sunnydale Infrastructure Phase 1B-1C" are different names used for this project and should be considered interchangeable for purposes of the documents governing the permitting, construction and acceptance of this project phase associated with Final Map 12077.

K. Except as specifically defined herein, capitalized terms shall have the meaning given in (i) the Code, (ii) the DA, (iii) the Subdivision Regulations, and (iv) the Plans and Specifications.

NOW, THEREFORE, in order to ensure satisfactory performance of the Subdivider under the Code, Subdivider and the City agree as follows:

1. Recitals. The above recitals are true and correct, and are incorporated into this Agreement.

2. Subdivider's Obligations.

(a) Sunnydale Phase 3 and 4 Required Infrastructure. Subdivider shall, in good and workmanlike manner, furnish all necessary materials and complete the Sunnydale Phase 3 and 4 Required Infrastructure in conformity with the Plans and Specifications as described in Exhibit A.

(b) Completion. Subdivider shall complete the Sunnydale Phase 3 and 4 Required Infrastructure in accordance with Section 6(a) below on or within two (2) years following the recordation of the Final Map. The period of time provided in this condition may be extended upon application by Subdivider and approval by the Director pursuant to Section 4(b) below, or may be extended by operation of Sections 10(c) through (f) below. In reviewing such application for an extension of time, the Director shall consider reasonable construction, access, and storage requirements for each adjacent project and subsequent projects.

(c) Other Required Documentation.

(i) Prior to the Director's submittal of this Agreement to the Board of Supervisors, Subdivider and Authority, as applicable, shall have provided executed and recorded copies of all the documents, agreements, and notices required pursuant to Exhibit C, unless deferred by the Director, in writing, pursuant to Section 6(a). Further, certain tentative map conditions have not been satisfied at the time of Final Map approval. The Director has determined that it is acceptable to defer compliance for the satisfaction of these conditions for purposes of the Subdivision Map Act, and the subject tentative map conditions and deferred

compliance event for each condition is shown in Exhibit D. In addition, Subdivider has supplemented the Excavation Permit Bonds with Security in an amount that collectively satisfy Section 3(a) of this Agreement.

(ii) At the time of request for a Notice of Completion, pursuant to Section 6(a), for the Sunnydale Phase 3 and 4 Required Infrastructure, or any portion thereof, Subdivider shall provide all documents required pursuant to Exhibit E, plus any other material previously deferred by the Director in item (i) above, unless deferred by the Director in writing until the time of a request for Acceptance pursuant to Section 6(b) below. In addition, the Subdivider shall furnish to Public Works and, if requested, the City Department of Building Inspection, as-built plans of the completed Sunnydale Phase 3 and 4 Required Infrastructure or portion thereof, in both electronic (in a reasonably current version of AutoCAD and/or another digital format acceptable to Public Works) and Mylar formats and any reports required by any related Plans and Specifications.

(iii) At the time of a request for Acceptance pursuant to Section 6, of the Sunnydale Phase 3 and 4 Required Infrastructure, or any portion thereof, Subdivider shall provide all the documents required pursuant to Exhibit F, plus any other materials previously deferred by the Director pursuant to subsections (i) and (ii) above. In addition, as part of compliance with this Section 2, Subdivider shall coordinate with the City and assist in the City's process for the subsequent dedication and Acceptance of the Sunnydale Phase 3 and 4 Required Infrastructure by (i) providing necessary maps, legal descriptions, and plats for street openings, proposed easements, and/or dedications for right-of-way or utility purposes, and for relinquishment of existing rights of access and utilities associated with on-site and off-site development, and (ii) executing easement agreements or grant deeds or modifying existing easements or grant deeds consistent with the Conditions of Approval.

3. Improvement Security. Subdivider shall provide security as described herein. City agrees that Subdivider, as an eligible nonprofit corporation under Section 66499.3(c) of the Government Code, shall not be required to comply with the bonding requirements set forth in

Section 66499.3(a) and (b) of the Government Code, provided the following conditions are satisfied:

(a) Security. Subdivider shall require its general contractor to furnish and deliver to the Director, bonds in favor of the Subdivider with City as co-obligee (for (i) and (ii), below), and shall furnish and deliver to the Director, bonds in favor of the City (for (iii), below), each of which shall be approved by the City Attorney and attached to this Agreement, from an issuer approved by the Director, securing the installation and completion of the Sunnydale Phase 3 and 4 Required Infrastructure as follows:

(i) Performance bonds in the amount of Twenty-Three Million, Six Thousand, Two Hundred and Ninety-Three Dollars and Eighty Cents (\$23,006,293.80) (100% of estimated “hard” cost of completion of the construction and installation of Sunnydale Phase 3 and 4 Required Infrastructure as determined by the DPW Director) to secure the satisfactory performance of Subdivider’s obligations (to be attached as Exhibit G-1 once available); and

(ii) A payment bond or other acceptable security in the amount of Eleven Million, Five Hundred and Three Thousand, One Hundred and Forty-Six Dollars and Forty Cents (\$11,503,146.40) (50% of the estimated cost of completion of the Sunnydale Phase 3 and 4 Required Infrastructure as determined by the DPW Director) as guarantee of payment for the labor, materials, equipment, and services required for the Sunnydale Phase 3 and 4 Required Infrastructure (to be attached as Exhibit G-2 once available); and

(iii) Monument bonds in the total amount of Forty-Five Thousand Dollars (\$45,000), representing 100% of the cost of installation of the monuments in Sunnydale Phase 3 and 4 as guarantee of payment for the labor, materials, equipment, and services required for the Sunnydale Phase 3 and 4 required monuments (Exhibit G-3). The Director acknowledges that prior to the date of this Agreement Subdivider posted monument bonds in accordance with Government Code Section 66496.

(b) Additional Security. At the request of the Director, Subdivider shall timely require its general contractor (“GC”) to furnish and deliver to the Director evidence of additional bonds that include the City as a co-obligee, in compliance with subsections (a)(i) and

(a)(ii), above, if the estimated cost to complete the construction and installation of Sunnydale Phase 3 and 4 Required Infrastructure increases beyond the original Security provided pursuant to this Agreement, whether it be due to construction contract change orders or increases in infrastructure scope, to ensure the performance and payment bonds continue to equal no less than 100% and 50%, respectively, of the estimated cost of completion and installation of the Sunnydale Phase 3 and 4 Required Infrastructure, or to cover Director-approved deferred work scope to resurface, repair, or restore streets after street acceptance where vertical improvements or structures fronting the street have not been completed at the time of proposed street acceptance. At the request of the Director, the Subdivider shall timely furnish and deliver to the Director additional bonds in compliance with subsection (a)(iii) above, if the estimated costs to complete the construction and installation of Monuments increases beyond the original Security provided with this Agreement to ensure the monument bonds continue to equal no less than 100% of the cost of installation of the monuments, per subsection (a)(iii), above.

(c) Other Acceptable Security. In lieu of providing any of the security described in Section 3(a) above, Subdivider may, subject to the approval of the Director, provide other security as described in Section 66499 of the Government Code. Any security provided under Section 3(a), (b), or (c) shall be referred to collectively as the “**Security**”. As a result of funding timing constraints, Subdivider is unable to retain a GC to construct the Subdivider’s obligations at the time of Final Map approval and is unable to provide the security required by Section 3(a)(i) and (ii) above until it has a contract with a GC. The Director has entered into a Memorandum of Agreement (“MOA”) with MOHCD that commits MOHCD to provide at least 20% of the financing for the Subdivider’s Obligations. The Director determines that the MOA temporarily provides the equivalent security to that of Government Code Section 66499(a)(3) because both departments are constituent parts of the City and County of San Francisco, and therefore, such a MOA is acceptable security in lieu of an actual instrument of credit. A copy of this MOA is attached hereto as Exhibit G-4. When the Subdivider posts the security specified in Section 3(a)(i) and (ii) with the City and copies of such bonds made part of this Agreement by an amendment approved by the Director, the MOA shall automatically terminate and there shall be no further requirement to amend this Agreement to reflect the change in security from that provided under this Section 3(c) to the bonds specified in Section 3(a)(i) and (ii).

(d) Use of Security. If the Sunnydale Phase 3 and 4 Required Infrastructure is not completed within the time periods specified in Section 2(b) and such period is not extended by the City or as otherwise provided under this Agreement, or Subdivider has not satisfactorily corrected all deficiencies during the Warranty Period, the Security may, by resolution of the Board of Supervisors, be used by the City for completion of the Sunnydale Phase 3 and 4 Required Infrastructure in accordance with the Plans and Specifications and for the correction of any such deficiencies.

(e) DA Security. The security requirements of this Agreement shall be read and constructed in accordance with the requirements of the Code and the DA, including but not limited to Section 6.5 thereof. Nothing in this Agreement shall alter the City or Subdivider's rights and remedies under the DA or the security to be provided by Subdivider under the DA, except as provided in the DA.

4. Construction of Sunnydale Phase 3 and 4 Required Infrastructure.

(a) Permits and Fees. Subdivider shall not perform any Sunnydale Phase 3 and 4 Required Infrastructure work until all required permits have been obtained for the work involved, and all applicable fees, including inspection and testing fees, have been paid. In addition, no work shall commence until the Subdivider has submitted to the City and City has approved all required items described in Section 2(c) and any additional requirements of and authorizations specified in the Code, Subdivision Regulations, Conditions of Approval, and this Agreement, unless the Director, in the Director's discretion, has granted a written deferral for one or more of these materials.

(b) Extensions. The Subdivider may request an extension of the time period specified in Section 2(b) for completion of the Sunnydale Phase 3 and 4 Required Infrastructure by written request to the Director. A request shall state adequate evidence to justify the extension and shall be made upon Subdivider's determination that it cannot reasonably meet the deadline in the time remaining for completion. The Director may request additional information and shall in good faith attempt to determine within thirty (30) days of the request whether to grant an extension of time. In determining whether to grant an extension, the Director shall take into consideration Subdivider's reliance on public funding for completion of the Sunnydale

Phase 3 and 4 Required Infrastructure, as described in Section 8.8 of the DA. The Director's failure to respond within the time specified shall, however, not constitute either a grant or denial of the requested extension. The time for completion additionally shall be automatically extended for the number of days past thirty (30) during which a request for an extension is pending a determination by the Director, as well as during any Excusable Delay or Developer Extension, as provided in Section 10(c) – (e). The Director shall not unreasonably withhold a request for an extension. The Director may reasonably condition an extension subject to the terms of this Agreement and the conditions provided in the Code, including execution of an extension agreement and the extension of any security. No extension approved hereunder shall limit or relieve a surety's liability or provide an extension on any future obligation under this Agreement or the DA (except as expressly stated in the approved extension).

(c) Revisions to Plans and Specifications. Requests by the Subdivider for revisions, modifications, or amendments to the approved Plans and Specifications (each a “**Plan Revision**”) shall be submitted in writing to the Director (with a copy to the Director's designee). Subdivider shall not commence construction of any proposed Plan Revision without approval by Public Works and until revised plans have been received and approved by the Director (or the Director's designee). If the Director or the Director's designee approves an instructional bulletin, such approval shall be considered the Director's approval for purposes of this Subsection.

(i) Any Infrastructure Plan amendments or other related documentation required for a Plan Revision shall be processed with reasonable promptness, and approval of the Plan Revision shall not be deemed final until the amendment or other documentation has been completed.

(ii) Any Plan Revision request shall be accompanied by (A) a statement explaining the need for or purpose of the proposed revision, and (B) drawings and specifications and other related documents showing the proposed Plan Revision in reasonable detail, consistent with the original Plans and Specifications.

5. Release of Security. The Security, or any portions thereof, not required to secure completion of Subdivider's obligation for construction or installation of the Sunnydale Phase 3

and 4 Required Infrastructure, to satisfy claims by contractors, subcontractors, and/or persons furnishing materials or equipment, or for setting monuments set forth on the Final Map (a form of bond for such monuments is appended hereto as Exhibit G-3), shall be released to the Subdivider, or its successors in interest, or reduced, pursuant to the procedures below as appropriate:

(a) Warranty Bond. Upon the Director's issuance of a Notice of Completion for a portion of the Sunnydale Phase 3 and 4 Required Infrastructure in accordance with Section 6(a), the Security shall be reduced as to that portion in accordance with Section 1770 of the Code. As to that portion of the Sunnydale Phase 3 and 4 Required Infrastructure, the Security remaining following such reduction is referred to herein as the "**Remaining Security**," which term shall also refer to all Security remaining after any release under this Subsection following the Director's issuance of a Notice of Completion for the final portion of Sunnydale Phase 3 and 4 Required Infrastructure.

(b) Partial Release of Security. Notwithstanding the release provisions in Section 5(a) and except as provided in Sections 5(c), the Security may be reduced in conjunction with completion of any portion of the Sunnydale Phase 3 and 4 Required Infrastructure to the satisfaction of the Director in compliance with Section 6(a) hereof to an amount determined by the Director that equals the actual cost of the completed portion of the Sunnydale Phase 3 and 4 Required Infrastructure. Prior to the date that the conditions set forth in Section 5(c) are satisfied, in no event, however, shall the amount of the Security be reduced below the greater of (i) the amount required to guarantee the completion of the remaining portion of the Sunnydale Phase 3 and 4 Required Infrastructure and any other obligation imposed by the Subdivision Map Act, the Code or this Agreement; or (ii) ten percent (10%) of the original amount.

(c) Release of Remaining Security. Remaining Security shall be released when all of the following have occurred:

(i) One (1) year following the date of Acceptance (as defined below) of (or, as appropriate, a Certificate of Conformity regarding) the relevant portion the Sunnydale Phase 3 and 4 Required Infrastructure, or, with respect to any specific claim of defects or deficiency in Sunnydale Phase 3 and 4 Required Infrastructure after such has been Accepted (as

defined below), one (1) year following the date that any such defect or deficiency which the Director identified in the Sunnydale Phase 3 and 4 Required Infrastructure in accordance with Section 8(a) has been corrected or waived in writing by the Director; and

(ii) The Clerk of the Board of Supervisors (or the Clerk's designee) certifies that no claims by any contractor, subcontractor or person furnishing labor, materials or equipment for the Sunnydale Phase 3 and 4 Required Infrastructure have been filed against the City, all such claims have been satisfied, withdrawn, or otherwise secured by bond or other security approved by the Director (or the Director's designee).

6. Completion and Acceptance.

(a) Director's Inspection. No sooner than ninety (90) days prior to the date that Subdivider intends to request the Director issue a Notice of Completion for the Sunnydale Phase 3 and 4 Required Infrastructure, Subdivider shall make a written request to the Director of the Subdivider's intent to initiate the Notice of Completion process ("**Letter of Intent to Request Notice of Completion**"). Upon written request from the Subdivider for a "**Notice of Completion**" as defined in the Code, accompanied with any and all materials that are required under Section 2(c)(ii) related to the Notice of Completion and any other materials that the Director deferred in writing at the time of approval of this Agreement, the Director shall initiate the inspection. If the Subdivider fails to submit a Letter of Intent to Request Notice of Completion, the Director need not consider the Subdivider's request for the Director's issuance of a Notice of Completion until such a Letter of Intent to Request Notice of Completion is submitted to the Director and ninety (90) days have passed from the submission of the Letter; provided, however, that the Director, in the Director's discretion, may agree in writing to a period of less than ninety (90) days from receipt of the Letter to consider issuance of a Notice of Completion. Upon completion of inspection, if the Director determines that the Sunnydale Phase 3 and 4 Required Infrastructure is ready for its intended use and completed in substantial conformity with the Permit Plans and Specifications, approved Instructional Bulletins, and applicable City Regulations, the Director shall issue the Notice of Completion. If the Director determines that the Sunnydale Phase 3 and 4 Required Infrastructure, has not been completed or does not satisfy the above requirements, the Director shall notify Subdivider of such

determination together with a statement setting forth with particularity the basis for that determination and a comprehensive set of comments documenting corrections necessary to render the Sunnydale Phase 3 and 4 Required Infrastructure ready for its intended use and substantially complete for purposes of conformance with the Permit Plans and Specifications, approved Instructional Bulletins, and applicable City Regulations (“Incompleteness Determination”).

(b) Acceptance. “**Acceptance**” by the City of the Sunnydale Phase 3 and 4 Required Infrastructure, for public use and maintenance (referred to hereafter as “**Accepted**” infrastructure) shall be deemed to have occurred when:

(i) The Director has issued a Notice of Completion for the Sunnydale Phase 3 and 4 Required Infrastructure, in accordance with Section 6(a);

(ii) The Subdivider submits a written request to the Director to initiate acceptance legislation or other appropriate action, before the Board of Supervisors as appropriate. Such submission shall include any and all materials for which the Director authorized deferral under Section 2(c); and

(iii) The Board of Supervisors by ordinance or other appropriate action, accepts the Sunnydale Phase 3 and 4 Required Infrastructure, for public use and maintenance in accordance with the provisions of San Francisco Administrative Code Section 1.52 and Subdivider’s maintenance and warranty obligations under and Section 9(a) of this Agreement.

(c) Offers of Dedication and Offers of Improvements. The Final Map includes, as applicable, certain offers of dedication and offers of improvements as more particularly set forth therein. The offers, deeds, and easements shall be made by separate instrument(s), as applicable. The Board of Supervisors shall accept, conditionally accept, or reject such offers, as applicable.

(d) Dedication. In addition to accepting improvements, the City shall, except as set forth in Section 6(e), below, dedicate the Sunnydale Phase 3 and 4 Required Infrastructure to public use and shall designate them for their appropriate public uses.

(e) Temporary Facilities and Private Infrastructure. [Intentionally Omitted]

7. Subdivider's Maintenance Responsibility.

(a) General Maintenance and Liability Prior to Acceptance. Prior to Acceptance, Subdivider shall be responsible for the maintenance and repair of the Sunnydale Phase 3 and 4 Required Infrastructure and shall bear the liability regarding the same consistent with the Code.

(b) Maintenance and Liability Following Acceptance. Following Acceptance, and subject to Sections 3(b), 7(c), and 9(a), the City shall assume the responsibility of operating and maintaining and shall be liable for such Accepted Sunnydale Phase 3 and 4 Required Infrastructure. City shall indemnify Subdivider and Master Developer and the officers, agents, and employees of each of them from and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims by third parties (“Losses”) to the extent first arising from and after City’s Acceptance of the Sunnydale Phase 3 and 4 Required Infrastructure, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except to the extent such Loss is the result of the active negligence or willful misconduct of Subdivider, Master Developer, or a party for whom either of them is liable. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants, and experts and related costs, and the City’s cost of investigating any claims against the City. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed to mean that Subdivider is responsible (or that City shall have right to call upon the Security, except as provided in Section 3(b) related to deferred work) for the repair, replacement, restoration, or maintenance of the Sunnydale Phase 3 and 4 Required Infrastructure damaged by the actions of third parties following Acceptance by the City or by ordinary wear and tear or harm or damage from improper maintenance or operation of the Sunnydale Phase 3 and 4 Required Infrastructure by the City, or any agent or agency of either following Acceptance by the City.

(c) Private Infrastructure and Privately Maintained Public Infrastructure. The Sunnydale Phase 3 and 4 Required Infrastructure includes Private Infrastructure, facilities for which the Subdivider shall bear the liability and responsibility for maintenance, and may include Privately Maintained Public Infrastructure, facilities for which the City may accept ownership

but place responsibility for maintenance and/or liability on Subdivider. For both Private Infrastructure and any Privately Maintained Public Infrastructure, such responsibility will be set out in the Sunnydale MMPEP or a separate Master Encroachment Permit, and any amendments, addenda, or annexations thereto. Notwithstanding any Acceptance by the City, the Parties understand and agree that Subdivider, its successor in interest as to one or more of the development parcels depicted on the Final Map (i.e., Lots I, J, and K), fronting property owner, or other private entity approved by the City, shall be responsible for the ongoing maintenance and liability of the Private Infrastructure and any Privately Maintained Public Infrastructure. The maintenance and liability obligations for the Private Infrastructure and any Privately Maintained Public Infrastructure shall be defined in the Sunnydale MMPEP or separate Master Encroachment Permit approved by the Board of Supervisors, and any amendments, addenda, or annexations thereto approved by the Director and/or, as to any Privately Maintained Public Infrastructure, a similar agreement between Subdivider and the City (a “**Maintenance Agreement**”). The Master Encroachment Permit(s) and Maintenance Agreement shall respectively provide for the designation of any successor to Subdivider’s or other permittee’s responsibilities thereunder. Subdivider agrees that City may require, prior to considering Acceptance of the Privately Maintained Public Infrastructure, that the infrastructure is included in an approved and executed Master Encroachment Permit and/or Maintenance Agreement.

(d) Protection of Sunnydale Phase 3 and 4 Required Infrastructure.

Subdivider may, but shall not be obligated to, allow access by the public to portions of the Sunnydale Phase 3 and 4 Required Infrastructure that have been constructed but not Accepted for purposes of providing public access to completed vertical developments that have been issued a Temporary Certificate of Occupancy ahead of the acceptance of the Required Infrastructure, or to facilitate public access through the site to adjacent properties and streets. In order to protect the Sunnydale Phase 3 and 4 Required Infrastructure from damage and to minimize Subdivider’s exposure to liability until such time as the applicable Sunnydale Phase 3 and 4 Required Infrastructure is Accepted, Subdivider may erect a construction fence or other physical barrier around areas under construction, to be constructed in the future, or constructed but not Accepted, provided that Subdivider has procured all necessary permits and complied with all applicable laws. However, no construction fence or other physical barrier may be built or maintained if the Director determines that a construction fence or other physical barrier adversely affects public

health or safety by unreasonably restricting the ingress and egress of the public to and from a public right-of-way. For purposes of the preceding sentence, if there exists an alternative means of ingress and egress other than the Sunnydale Phase 3 and 4 Required Infrastructure, then the Director may not determine that the construction fence or other physical barrier constitutes an unreasonable restriction of ingress and egress of the public to and from a public right-of-way.

8. Intentionally Omitted.

9. Warranty and Indemnity.

(a) Warranty. Acceptance of Sunnydale Phase 3 and 4 Required Infrastructure by the City shall not constitute a waiver of any defects. Subdivider covenants that all Sunnydale Phase 3 and 4 Required Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily, excluding ordinary wear and tear, for a period (a “**Warranty Period**”) of two (2) years. Such Warranty Period shall begin upon the issuance of a Notice of Completion for the Sunnydale Phase 3 and 4 Required Infrastructure as specified in Section 1751.2 of the Code, except that the Warranty Period for plant materials and trees planted as part of the Sunnydale Phase 3 and 4 Required Infrastructure shall not commence until the later of 1) the Director issues a Notice of Completion or 2) the Director receives a certification from the City’s Construction Manager upon recommendation from the Subdivider’s Engineer of Record or Landscape Architect of Record that a plant establishment period set in accordance with the Plans and Specifications has passed. During the Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director that the work be done, inspect, correct, repair, or replace any defects in the Sunnydale Phase 3 and 4 Required Infrastructure at its own expense. The Subdivider shall provide an extended Warranty Period for the repaired or replaced work for a period satisfactory to the Director, not to exceed an additional two (2) years from the date the repaired or replaced work is inspected and deemed corrected. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair, or replacement, or should an emergency require that inspection, correction, repair, or replacement be made before Subdivider can be notified (or prior to Subdivider’s ability to respond after notice), the City may, at its option, upon notice to Subdivider, make the necessary inspection, correction, repair, or replacement or

otherwise perform the necessary work and Subdivider shall reimburse the City for the actual cost thereof. During the Warranty Period, the City shall hold the Subdivider's Security, reduced as described in Section 5, to secure performance of Subdivider's foregoing warranty obligations.

(b) Indemnity. For purposes of this Subsection, any capitalized term shall be defined consistent with the DA. Consistent with the DA, the indemnity provided in Section 6.13 of the DA shall apply to all work performed under this Agreement. DA Section 6.13 is reproduced here and made a part of this Agreement; such incorporation shall not limit, replace or alter the effect of DA Section 6.13. In the event of any difference between the text of DA Section 6.13 and the reproduction herein, the DA as executed shall govern.

Sec 6.13 of the DA: Indemnification

6.13.1 Indemnification of City. Developer shall Indemnify the City and its officers, agents and employees from and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims (“**Losses**”) to the extent arising from Developer's breach of or negligent performance (or nonperformance) of this Agreement, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law, and except to the extent such Loss is the result of the active negligence or willful misconduct of City. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs, and the City's cost of investigating any claims against the City. All Indemnifications set forth in this Agreement shall survive the expiration or termination of this Agreement.

(c) Limitation on City Liability. The City shall not be an insurer or surety for the design or construction of the Sunnydale Phase 3 and 4 Required Infrastructure pursuant to the approved Plans and Specifications, nor shall any officer or employee thereof be liable or responsible for any accident, loss, or damage happening or occurring during the construction of the Sunnydale Phase 3 and 4 Required Infrastructure as specified in this Agreement, except as may arise due to the negligence or willful acts or omissions of the City.

10. Miscellaneous.

(a) Final Map Recordation. The City, in accordance with the Code, shall record the Final Map with the County Clerk in the Official Records promptly upon Board of Supervisors' approval of the Final Map. The City shall notify Subdivider of the time of recordation. In the event the Final Map is not recorded within fifteen (15) days of approval, this Agreement shall be null and void.

(b) Independent Contractor. In performing its obligations under this Agreement, the Subdivider is an independent contractor and not an agent or employee of the City.

(c) Excusable Delay. All time periods in this Agreement shall be extended for Excusable Delay as defined in Section 12.5 of the DA, which is reproduced below. In the event of any difference between the text of DA Section 12.5 and the reproduction herein, the DA as executed shall govern.

12.5 Extension Due to Legal Action or Referendum; Excusable Delay.

12.5.1 Litigation and Referendum Extension. If any litigation is filed challenging this Agreement or an Approval having the direct or indirect effect of delaying this Agreement or any Approval (including but not limited to any CEQA determinations), including any challenge to the validity of this Agreement or any of its provisions, or if this Agreement or an Approval is suspended pending the outcome of an electoral vote on a referendum, then the Term of this Agreement and all Approvals shall be extended for the number of days equal to the period starting from the commencement of the litigation or the suspension (or as to Approvals, the date of the initial grant of such Approval) to the end of such litigation or suspension (a "**Litigation Extension**"). The Parties shall document the start and end of a Litigation Extension in writing within thirty (30) days from the applicable dates.

12.5.2 Excusable Delay. means the occurrence of an event beyond a Party's reasonable control which causes such Party's performance of an obligation to be

delayed, interrupted or prevented, including, but not limited to: changes in Federal or State Laws; strikes or the substantial interruption of work because of labor disputes; inability to obtain materials; freight embargoes; civil commotion, war or acts of terrorism; inclement weather, fire, floods, earthquakes or other acts of God; epidemics or quarantine restrictions; litigation; unforeseen site conditions (including archaeological resources or the presence of hazardous materials); or the failure of any governmental agency, public utility or communication service provider to issue a permit, authorization, consent or approval required to permit construction within the standard or customary time period for such issuing authority following Developer's submittal of a complete application for such permit, authorization, consent or approval, together with any required materials. Excusable Delay shall not include delays resulting from the failure to obtain financing or have adequate funds, changes in market conditions, or the rejection of permit, authorization or approval requests based upon Developer's failure to satisfy the substantive requirements for the permit, authorization or approval request. In the event of Excusable Delay, the Parties agree that (i) the time periods for performance of the delayed Party's obligations impacted by the Excusable Delay shall be strictly limited to the period of such delay, interruption or prevention and the delayed Party shall, to the extent commercially reasonable, act diligently and in good faith to remove the cause of the Excusable Delay or otherwise complete the delayed obligation, and (ii) following the Excusable Delay, a Party shall have all rights and remedies available under this Agreement, if the obligation is not completed within the time period as extended by the Excusable Delay. If an event which may lead to an Excusable Delay occurs, the delayed Party shall notify the other Party in writing of such occurrence as soon as possible after becoming aware that such event may result in an Excusable Delay, and the manner in which such occurrence is likely to substantially interfere with the ability of the delayed Party to perform under this Agreement.

(d) Developer Extension. All time periods in this Agreement shall be extended for the period of any "**Developer Extension**" as defined in Section 12.5 of the DA (which is reproduced in Section 10(c) of this Agreement) and subject to compliance with the

Mitigation Measures (as defined in the DA). In the event of any difference between the text of DA Section 12.5 and the reproduction herein, the DA as executed shall govern.

(e) Notification for Invocation of Developer Extension. In the event that Subdivider invokes the Developer Extension, Subdivider shall promptly provide written notice to the Director. The notice required under this Subsection shall identify the nature of the extension and the length of the extension with respect to Subsection 2(b) of this Agreement.

(f) Attorneys' Fees. Should any party hereto institute any action or proceeding in court or other dispute resolution mechanism (“**DRM**”) to enforce any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party, court, or DRM costs or expenses incurred by the prevailing party including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage, and communication expenses, and such amount as the court or DRM may adjudge to be reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding. Attorneys' fees under this Section 10(f) include attorneys' fees on any appeal, and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action.

For purposes of this Agreement, reasonable fees of attorneys and any in-house counsel for the City or the Subdivider shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which the City's or the Subdivider's in-house counsel's services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the City, or, in the case of the Subdivider's in-house counsel, as employed by the outside counsel for the Subdivider.

(g) Notices.

(i) A notice or communication under this Agreement by either party to the other (or by or to the Director) shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

In the case of a notice or communication to the Director of Public Works:

Director of Public Works
City and County of San Francisco
49 South Van Ness Avenue, Suite 1600
San Francisco, CA 94103
Attn: Infrastructure Task Force

With copies to:

Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Public Works General Counsel
Reference: Sunnydale HOPE SF Phase 3

San Francisco Public Utilities Commission
525 Golden Gate Avenue
San Francisco, CA 94102
Attn: Molly Petrick
Reference: Sunnydale HOPE SF Phase 3

And in the case of a notice or communication to the Subdivider:

Sunnydale Phase 3 Infrastructure, LLC
1256 Market Street
San Francisco, CA 94102
Attn: Ramie Dare

With copies to:

Related/Sunnydale Phase 3 Infrastructure, LLC
44 Montgomery Street, #1300
San Francisco, CA 94104
Attn: Ann Silverberg

Farella Braun & Martel LLP
One Bush Street, Suite 900
San Francisco, CA 94104
Attn: Charles J. Higley

Gubb & Barshay LLP
235 Montgomery Street, Suite 1110
San Francisco, CA 94104
Attn: Evan Gross

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

(A) the Section of this Agreement 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 Sunnydale HOPE SF Phase 3 Public Improvement Agreement”; and

(D) if a notice of disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

(ii) Any mailing 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 Agreement 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.

(iii) Any notice or request for review, consent, or other determination or action by the Director shall display prominently on the envelope enclosing such request (if any) and the first page of such request, substantially the following words: “SUNNYDALE HOPE SF INFRASTRUCTURE: IMMEDIATE ATTENTION REQUIRED.”

(h) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto pursuant to a Transfer (as set forth in Article 13 of the DA), and upon such Transfer, the Subdivider shall be released from its obligations hereunder. Any assignment of Subdivider’s rights and obligations under this Agreement shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned and shall be subject to the reasonable approval of the Director; provided, however, that if Subdivider assigns its rights under the DA as “Developer” (as defined therein as it relates to the affected real property), an assignment of this Agreement to the same assignee shall not

require the Director's approval so long as: (1) Subdivider provides notice of the intended Transfer to the Director within five days of providing any required notice to the City under the DA; (2) Subdivider provides to the Director a copy of the executed DA assignment and assumption (which includes the transfer of rights and obligations under this Agreement); (3) the assignee provides replacement bonds that are consistent with Exhibits G-1, G-2, and G-3 in the amount required to secure any remaining obligations; and (4) the assignee provides proof of adequate insurance in the amount previously provided by Subdivider and by an insurer with an equal or better credit rating; and (5) the assignee has obtained all real estate rights and can satisfy all other conditions required to complete the work contemplated by this Agreement.

(i) Development Agreement. The City shall cooperate with the Subdivider consistent with the terms of the DA, including, without limitation, in obtaining applicable approvals required for the construction of the Sunnydale Phase 3 and 4 Required Infrastructure.

(j) Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist upon and demand strict compliance by the other party with the terms of this Agreement thereafter.

(k) Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Subdivider, any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof; and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the City, or the Subdivider shall be for the sole and exclusive benefit of the named parties.

(l) Amendment. This Agreement may be amended, from time to time, by written supplement or amendment hereto and executed by the City and the Subdivider. The Director of Public Works is authorized to execute on behalf of the City any amendment that the Director determines is in the City's best interests and does not materially increase the City's obligations or materially diminish the City's rights under this Agreement.

(m) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

(n) Interpretation of Agreement. Unless otherwise provided in this Agreement or by applicable law, whenever approval, consent or satisfaction is required of the Subdivider or the City under to this Agreement, it shall not be unreasonably withheld or delayed. Nothing in this Agreement limits the scope of review and certification of completed improvements required under Section 1751.2(b) of the Code. Captions used in this Agreement are for convenience or reference only and shall not affect the interpretation or meaning of this Agreement.

This Agreement shall in no way be construed to limit or replace any other obligations or liabilities which the parties may have in the DA.

11. Insurance. Subdivider shall, at all times prior to Acceptance of the Sunnydale Phase 3 and 4 Required Infrastructure, comply with the insurance requirements set forth in the DA and/or any applicable Permit to Enter. Subdivider shall furnish to the City from time to time upon request by the City's Risk Manager certificate of insurance (and/or, upon request by the City's Risk Manager a complete copy of any policy) regarding each insurance policy required to be maintained by Subdivider.

12. Recording.

(a) Recording Agreement. The Parties to this Agreement acknowledge that this Agreement shall be recorded against the title of the Property.

(b) Purpose and Effect of Recording. This Agreement shall be recorded for the purpose of providing constructive notice to any future owner of the Property of Subdivider's obligations and responsibilities under Sections 2 and 7, respectively. This Agreement shall not be interpreted as creating a lien or security interest against any parcel against which it is recorded, or to effect any secured interest now or in the future, as the obligations hereunder are personal to Subdivider and its successors and assigns as may be authorized pursuant to Section 10(h).

(c) Notice of Termination. At the time all the obligations and requirements specified in this Agreement are fully satisfied as determined by the Director in consultation with affected City departments, the Parties shall record a Notice of Termination, a draft of which is contained in Exhibit H. Alternatively, Subdivider may request the Director's authorization to record a Notice of Termination with respect to an individual parcel. In evaluating such a request, approval of which shall be in the Director's reasonable discretion, the Director shall consider with respect to Sunnydale Phase 3 and 4 Required Infrastructure necessary to serve the parcel, whether: (i) all Sunnydale Phase 3 and 4 Required Infrastructure has been completed and accepted by the City, as applicable; (ii) all corresponding bond amounts have been released; (iii) all defects and punch list items have been addressed; and (iv) all warranty and guarantee periods have terminated.

IN WITNESS WHEREOF, the City, and Subdivider have executed this Agreement in one or more copies as of the day and year first above written.

[SIGNATURES ON NEXT PAGE]

SUBDIVIDER

SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC, a California limited liability company

By: New Grid 2 LLC, a California limited liability company

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

By:
Name: _____
Title: _____

CITY AND COUNTY OF SAN FRANCISCO

By: Carla Short
Its: Director of Public Works

APPROVED AS TO FORM:

DAVID CHIU
CITY ATTORNEY

Heather Goodman
Deputy City Attorney

LIST OF EXHIBITS

Exhibit A - Plans and Specifications

Exhibit B - Estimated Costs

Exhibit C - Documents required with Public Improvement Agreement

Exhibit D - Subdivider Letter Request for Exceptions and Deferrals

Exhibit E - List of documents required by City in order to issue a Notice of Completion

Exhibit F - List of documents required by the City in order to make a Request for Acceptance

Exhibit G-1 - Performance Bond [RESERVED]

Exhibit G-2 - Payment Bond [RESERVED]

Exhibit G-3 - Monument Bonds

Exhibit G-4 - Memorandum of Agreement (“MOA”) for Interim Security

Exhibit H - Form of Notice of Termination

EXHIBIT A

SIP Permit, Approved Plans and Specifications

The Sunnydale HOPE SF Phase 3 and 4 Street Improvement Permit # 24IE-00412.

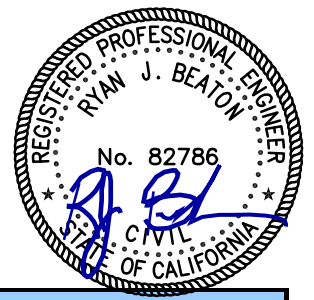
EXHIBIT B
Estimated Costs



Sunnydale Hope SF
Phase 1B/1C Infrastructure
Prepared by KPFK
10/16/2024

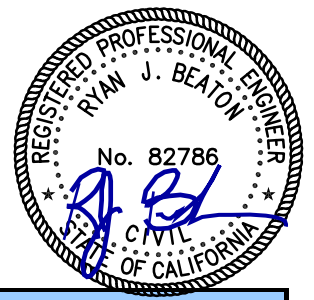
PUBLIC IMPROVEMENTS						
Bid Item	Description	Qty	Units	Unit Rate	Extended Price	
DEMO & ROUGH GRADE						
SITE PREP						
1	Miscellaneous Site Prep & Mobilization, Includes but is not limited to site security fencing, project identification signage, site security.	1	ls	\$ 310,000.00	\$	310,000.00
2	Pre-Construction Services including Submittals, RFI's, Design review, Phasing plans, ordering long lead items.	24	Months	\$ 25,000.00	\$	600,000.00
3	Not Used	1	ls	\$ -	\$	-
DEMOLITION						
4	Demolition, Disposal, Abandonment of existing utilities, hardscape, fence, curb, street light, etc. as needed to complete work.	1	ls	\$ 400,000.00	\$	400,000.00
5	Off-Haul of unused native Excavation Spoils from the Site as required to completed the new construction.	22,200	yds	\$ 77.00	\$	1,709,400.00
6	DPT/SFMTA Permit Fees: Unused monies to be credited back to the project.	1	all	\$ 50,000.00	\$	50,000.00
SWPPP						
7	Install and Maintain CB Inlet Protection (existing)	1	ls	\$ 5,000.00	\$	5,000.00
8	Install and Maintain Sediment Control Waddle or Silt Fence at PL	1	ls	\$ 10,000.00	\$	10,000.00
9	Install and Maintain a Stabilized Construction Entrance	8	ea	\$ 22,000.00	\$	176,000.00
10	Maintain Project Site Runon & Runoff During Wet Weather Season	1	ls			
11	Dust Control with a Water Truck	24	mo	\$ 30,000.00	\$	720,000.00
12	Street Sweeping	24	mo	\$ 5,000.00	\$	120,000.00
13	Weekend Dust Stabilization	24	mo	\$ 12,000.00	\$	288,000.00

Sunnydale Hope SF
Phase 1B/1C Infrastructure
Prepared by KPFF
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PUBLIC IMPROVEMENTS							
Bid Item		Description	Qty	Units	Unit Rate	Extended Price	
		ROUGH GRADE					
14		Rough grade Public Right of Way, including Street, Sidewalk, Landscape, Bioretention areas including all over-excavation recommendations made in the Geotech investigation report.	221,000	sf	\$ 2.50	\$	552,500.00
15		Rough grade private parcel areas, including all over-excavation recommendations made in the Geotech investigation report.	396,000	sf	\$ 2.50	\$	990,000.00
						Subtotal:	\$ 5,930,900.00
DEEP UTILITIES							
		COMBINED SEWER					
16		Connect to existing Manhole	3	ea	\$ 30,000.00	\$	90,000.00
17		Establish and maintain temp sewer bypass for Sunnydale Ave sewer.	1	ls	\$ 175,000.00	\$	175,000.00
18		Establish and maintain temp sewer bypass for sewer tie-ins on Blythdale Ave and Brookdale Ave.	2	ls	\$ 25,000.00	\$	50,000.00
19		36.76" CS Pipe	198	ft	\$ 1,000.00	\$	198,000.00
20		31.51" CS Pipe	591	ft	\$ 900.00	\$	531,900.00
21		24.51" CS Pipe	98	ft	\$ 800.00	\$	78,400.00
22		21.01 CS Pipe	449	ft	\$ 700.00	\$	314,300.00
23		15.76" CS Pipe	235	ft	\$ 600.00	\$	141,000.00
24		12.25" CS Pipe	880	ft	\$ 500.00	\$	440,000.00
25		9.41" CS Pipe	146	ft	\$ 400.00	\$	58,400.00
26		5.79" CS Pipe	321	ft	\$ 400.00	\$	128,400.00
27		P-Trap Assembly	1	ea	\$ 2,000.00	\$	2,000.00
28		CSMH per CCSF Std Plan 87,181 (12" to 24" dia pipe)	14	ea	\$ 13,500.00	\$	189,000.00
29		CSMH per CCSF Std Plan 87,181 (27" to 48" dia pipe)	11	ea	\$ 32,000.00	\$	352,000.00
30		Temporary catch basin/sand trap with cleanout	4	ea	\$ 4,500.00	\$	18,000.00
31		SD Catch basin	25	ea	\$ 6,000.00	\$	150,000.00
32		SD Cleanouts	26	ea	\$ 2,000.00	\$	52,000.00
33		SD Perf Pipe	528	ft	\$ 400.00	\$	211,200.00
34		Testing including pressure, vacuum, and 3 sets of video surveys	2	ls	\$ 50,000.00	\$	100,000.00
35		SWPPP (Inlet Protection on New)	2	ls	\$ 5,000.00	\$	10,000.00
						Subtotal:	\$ 3,289,600.00

Sunnydale Hope SF
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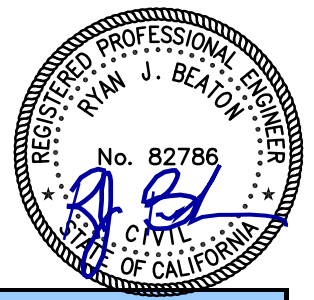
PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
LOW PRESSURE WATER/AWSS						
LOW PRESSURE WATER						
36		12" to 12" Mainline Connection by SFWD at Sunnydale Sta 20+55: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
37		6" to 6" Mainline connection by SFWD at Sunnydale Sta 15+50: Survey/Excavate/Shore/Protect / Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
38		12" to 6" Mainline Connection by SFWD at Sunnydale Sta 14+20: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
39		12" to 8" Mainline Connection by SFWD at Temp Brookdale/Ex. Santos intersection: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
40		6" to 8" Connection by SFWD at Velasco: Survey/Excavation/Shore/ Protect/Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
41		12" to 12" Mainline Connection by SFWD at Santos/Geneva intersection: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00
42		12" to 12" Mainline Connection by SFWD at Sunrise Sta 11+75: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00

Sunnydale Hope SF
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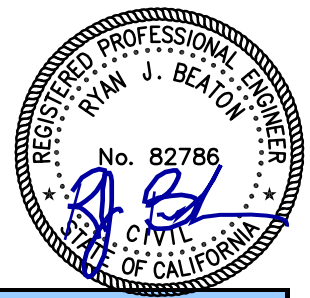
PUBLIC IMPROVEMENTS						
Bid Item	Description	Qty	Units	Unit Rate	Extended Price	
43	12" to 6" Mainline Connection by SFWD at Blythdale Sta 7+05: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00	
44	12" LPW Line	3,006	ft	\$ 325.00	\$ 976,950.00	
45	12" LPW Valve and Blow offs (Complete)	12	ea	\$ 7,500.00	\$ 90,000.00	
46	2" LPW	46	ft	\$ 170.00	\$ 7,820.00	
47	4" LPW	59	ft	\$ 200.00	\$ 11,800.00	
48	6" LPW	176	ft	\$ 260.00	\$ 45,760.00	
49	8" LPW Line (FH)	120	ft	\$ 440.00	\$ 52,800.00	
50	8" LPW Valve	2	ea	\$ 6,000.00	\$ 12,000.00	
51	6" LPW Valve (Complete)	9	ea	\$ 6,000.00	\$ 54,000.00	
52	Fire Hydrant Assembly (Complete)	6	ea	\$ 5,000.00	\$ 30,000.00	
53	1" Irrigation	187	ft	\$ 150.00	\$ 28,050.00	
54	Water Meter Vaults	7	ea	\$ 3,000.00	\$ 21,000.00	
55	Provide & Install Cathodic Protection for LPW System.	1	ls	\$ 250,000.00	\$ 250,000.00	
56	Testing	2	ls	\$ 80,000.00	\$ 160,000.00	
Subtotal:					\$ 2,140,180.00	
AWSS						
57	20" AWSS Mainline	1,643	lf	\$ 850.00	\$ 1,396,550.00	
58	20" Gate Valve	4	ea	\$ 200,000.00	\$ 800,000.00	
59	20" to 20" Mainline Connection by SFWD at Sunnydale Sta 21+00: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00	
60	20" to 20" Mainline Connection by SFWD at Sunrise Sta 11+50: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for SFWD installation.	1	ea	\$ 50,000.00	\$ 50,000.00	
61	Thrustblocks on Mainline	10	ea	\$ 25,000.00	\$ 250,000.00	
62	Testing	1	ls	\$ 50,000.00	\$ 50,000.00	
Subtotal:					\$ 2,596,550.00	

Sunnydale Hope SF
Phase 1B/1C Infrastructure
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PUBLIC IMPROVEMENTS						
Bid Item	Description	Qty	Units	Unit Rate	Extended Price	
JOINT TRENCH/STREET LIGHTING/NATURAL GAS						
JOINT TRENCH						
63	Excavate and Backfill Trenches	1,619	lf	\$ 225.00	\$	364,275.00
64	DT Conduit (4)-2"	6,692	lf	\$ 10.00	\$	66,920.00
65	Comcast Conduit (2)-2"	3,238	lf	\$ 12.00	\$	38,856.00
66	AT&T Conduit (2)-4"	3,238	lf	\$ 15.00	\$	48,570.00
67	Oldcastle 2436 Duralite Pullbox	5	ea	\$ 1,100.00	\$	5,500.00
68	30"X48"x12", AT&T Vault	5	ea	\$ 1,100.00	\$	5,500.00
69	28"X47"x12", Comcast B44 Vault	5	ea	\$ 500.00	\$	2,500.00
70	4.5'x8.5'x6' Electrical Vault	7	ea	\$ 26,000.00	\$	182,000.00
71	6" PUC Power Conduit	3,080	ft	\$ 26.00	\$	80,080.00
72	Relocate Emergency PD/FD Pull Station	1	ea	\$ 5,000.00	\$	5,000.00
73	Testing Joint Trench	1	ls	\$ 25,000.00	\$	25,000.00
74	Coordinate all utility cutovers to new infrastructure	1	ls	\$ 25,000.00	\$	25,000.00
STREET LIGHTING						
75	Install Post top Street Light Foundations, Poles, Luminaire Arms, Luminaires and all appurtenances	48	ea	\$ 15,000.00	\$	720,000.00
76	Install Streetlight/Pedestrian Combo Street Light Foundations, Poles, Luminaire Arms, Luminaires and all appurtenances	30	ea	\$ 25,000.00	\$	750,000.00
77	Furnish and Install new Type 1 Pull Boxes and lids	93	ea	\$ 850.00	\$	79,050.00
78	Trench and Backfill Street Lighting Only (not in joint trench) Includes restoring (E) sidewalk/roadway where applicable.	3,086	lf	\$ 50.00	\$	154,300.00
79	Furnish and Install 1.5" GRSC	5,088	lf	\$ 20.00	\$	101,760.00
80	Pull Street light conductors: Includes connecting to PUC Secondary, installing grounding rods and fuses, etc. to make street lights operational	5,088	lf	\$ 25.00	\$	127,200.00
81	Testing Street Lighting	1	ls	\$ 10,000.00	\$	10,000.00
Subtotal:					\$	2,791,511.00

Sunnydale Hope SF
Phase 1B/1C Infrastructure
Prepared by KPFF
10/16/2024



PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
		NATURAL GAS				
82		2" Natural Gas Pipe	1,186	lf	\$ 120.00	\$ 142,320.00
83		New to Existing Connection by PGE: Survey/Excavate/Shore/Protect/ Backfill etc. trench and bell hole for PGE installation	3	ea	\$ 10,000.00	\$ 30,000.00
84		Testing	1	ls	\$ 5,000.00	\$ 5,000.00
					Subtotal:	\$ 177,320.00
HARDSCAPE						
		CURB & GUTTER				
85		Curb & Gutter including Fine Grading	6,373	lf	\$ 88.00	\$ 560,824.00
86		Furnish and Install Catch Basin Frame & Grate including one foot of CB top and PCC Apron	25	ea	\$ 5,000.00	\$ 125,000.00
		STREET SECTION				
87		Fine Grade/Compact Street Section	118,771	sf	\$ 1.50	\$ 178,156.50
88		Adjust Vaults/Manhole Frame & Covers - CSMH	6	ea	\$ 2,500.00	\$ 15,000.00
89		Adjust Vaults/Manhole Frame & Covers - WV	1	ea	\$ 2,500.00	\$ 2,500.00
90		Adjust Vaults/Manhole Frame & Covers - Electrical	12	ea	\$ 2,500.00	\$ 30,000.00
91		AC Conforms	12	ea	\$ 2,000.00	\$ 24,000.00
92		PCC Base with 1/4" EJ Material	118,771	sf	\$ 10.00	\$ 1,187,710.00
93		AC Pavement	118,771	sf	\$ 4.00	\$ 475,084.00
94		AB Maintenance Access Road through Block 4	3,827	sf	\$ 4.00	\$ 15,308.00
95		Grind & Overlay	25,156	sf	\$ 1.00	\$ 25,156.00
		SIDEWALKS				
96		Fine Grade/Compact for Sidewalks/Driveways/Tree well Sections	56,922	sf	\$ 0.90	\$ 51,229.80
97		Furnish & Install Class 2 AB	56,922	sf	\$ 2.75	\$ 156,535.50
98		Concrete Sidewalks/Driveways	56,922	sf	\$ 18.00	\$ 1,024,596.00
99		Temporary Asphalt Sidewalk	3,553	sf	\$ 4.00	\$ 14,212.00
100		Regrading Concrete Pavers	1,840	sf	\$ 15.00	\$ 27,600.00
101		Permeable Interlocking Concrete Pavers	1,023	sf	\$ 75.00	\$ 76,725.00
102		Curb Ramps with Truncated Domes	43	ea	\$ 8,000.00	\$ 344,000.00
103		Truncated Domes at Linear Open Space	25	ea	\$ 3,000.00	\$ 75,000.00

Sunnydale Hope SF
Phase 1B/1C Infrastructure
Prepared by KPFF
10/16/2024



PUBLIC IMPROVEMENTS						
Bid Item		Description	Qty	Units	Unit Rate	Extended Price
STREET FURNISHINGS						
104		Furnish and Install Trash Receptacles	8	ea	\$ 8,000.00	\$ 64,000.00
105		Furnish and Install Bike Racks	7	ea	\$ 2,000.00	\$ 14,000.00
106		Construct Bus Shelter Pad, Coordinate Bus Shelter Install with SFMTA	5	ea	\$ 10,000.00	\$ 50,000.00
107		Furnish and Install Cycle Track in Linear Open Space	3,778	sf	\$ 10.00	\$ 37,780.00
Subtotal:						\$ 4,574,416.80
IRRIGATION / LANDSCAPE						
LANDSCAPE						
108		Furnish and Install Structural Soil including Indicator/Filter Fabric/Root Barrier/Blockouts	168	sf	\$ 40.00	\$ 6,720.00
109		Furnish and Install Standard Planting Area Soil including Indicator/Filter Fabric/Root Barrier/Blockouts	8,636	sf	\$ 15.00	\$ 129,540.00
110		Bio-Retention Areas including all miscellaneous barriers, concrete structures, dissipaters, edging treatments, trees, shrubs, plantings, coordination and testing with the Green Infrastructure Dept.	13	ls	\$ 75,000.00	\$ 975,000.00
111		Irrigation (Complete including controllers, BFP's w/ enclosures, valves, quick couplers, piping, wiring, boxes, AVC's.	1	ls	\$ 150,000.00	\$ 150,000.00
112		Adjust Existing Tree Wells	6	ea	\$ 1,500.00	\$ 9,000.00
113		Cobble Stone	364	sf	\$ 10.00	\$ 3,640.00
114		Trees (Includes Tree Stakes)	48	ea	\$ 1,000.00	\$ 48,000.00
115		Shrubs and Groundcover	8,960	sf	\$ 15.00	\$ 134,400.00
116		Metal Edging	767	lf	\$ 45.00	\$ 34,515.00
117		Maintenance During Plant Establishment Period	1	ls	\$ 15,000.00	\$ 15,000.00
Subtotal:						\$ 1,505,815.00

Grand Total of Infrastructure Bid: \$ 23,006,292.80

EXHIBIT C

Documentation Required with Public Improvement Agreement

1. Approved Street Improvement Permit
2. Irrevocable Offers of Improvements
3. Irrevocable Offers of Dedication and corresponding Quitclaim Deeds
4. Irrevocable Offers of Easements
5. Payment and Performance Bonds (Memorandum of Agreement (“MOA”) for Interim Security) and Monument Bonds
6. Operations & Maintenance Matrix

EXHIBIT D

Subdivider Letter Request for Exceptions and Deferrals



MEMORANDUM

TO: Department of Public Works Infrastructure Task Force

FROM: Ryan Beaton, KPFF

DATE: October 22, 2024

SUBJECT: Sunnydale 1B/1C 100% SIP Exceptions to 2015 Subdivision Regulations

To Whom It May Concern,

This memo has been prepared to summarize the list of exceptions to the 2015 Subdivision Regulations for the Sunnydale Hope SF Phase 1B1C infrastructure improvement project located in San Francisco, CA. The following is a list of exceptions the project is requesting:

1. Use of HDPE Pipe for Combined Sewer System in Lieu of VCP Pipe
2. Temporary Blythdale Avenue Roadway Grades > 14%
3. Deferral of Sidewalk Legislation
4. Deferral of Landscaping and Pedestrian Lights Installation
5. Deferral of Phase 1A3 Trees
6. Deferral of Operations & Maintenance Matrix

Exception #1 – Use of HDPE Pipe for Combined Sewer System in Lieu of VCP Pipe

Based upon coordination with SFPUC, the Sunnydale Phase 1A-1 and 1A-2 Infrastructure Improvement project was approved to install HDPE piping in lieu of VCP piping for the new Combined Sewer system. It was noted that the pipe material ultimately chosen for Phase 1A-1 and 1A-2 would need to be used for all subsequent phases in the Sunnydale HOPE SF redevelopment. Therefore, the team has reflected the inner diameters of the HDPE pipe based on specifications for the product that was installed in the previous phase on the Utility Plan sheets C8.1-C8.10.

Exception #2 – Temporary Blythdale Avenue Roadway Grades > 14%

Temporary Blythdale Avenue Roadway exceeds the 14% maximum grade per the Subdivision Regulations but does not exceed 17%. SFFD does not have any issues related to the approval of the interim slope of Blythdale Avenue connector road. However, this approval does not constitute an approval of this slope in the final configuration of Blythdale Avenue and the proposed slopes shall be reviewed and approved by the SFFD during the review of the Final Map and Street Improvement Plans for the future phase.

Exception #3– Deferral of Sidewalk Legislation

Deferral of sidewalk legislation until such a time as the offer of improvements are submitted to board of supervisors for acceptance.

Exception #4– Deferral of Landscaping and Pedestrian Lights Installation

Landscaping and pedestrian light poles, excluding the bases and conduit, within the linear open space and north of the cycle track, shall be installed by the Block 9 vertical contractor at a later time.



Exception #5– Deferral of Phase 1A3 Trees

Three trees proposed in Phase 1A3 along Sunnydale Ave shall be deferred to Phase 1B/1C. To maintain access during Block 9 vertical construction, trees shall be planted by the Block 9 vertical contractor at a later time.

Exception #6– Deferral of Operations & Maintenance Matrix

Deferral of finalizing the Operations & Maintenance Matrix required prior to issuance of a Street Improvement Permit and execution of a Public Improvement Agreement until final comments are provided by City Departments.

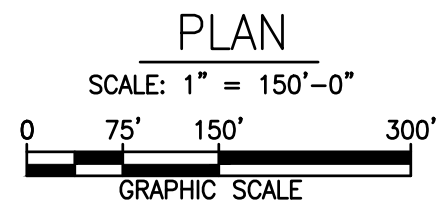
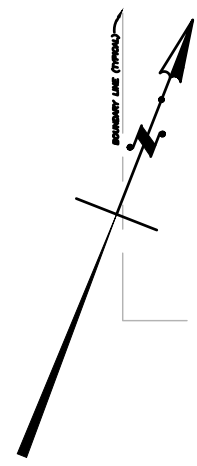
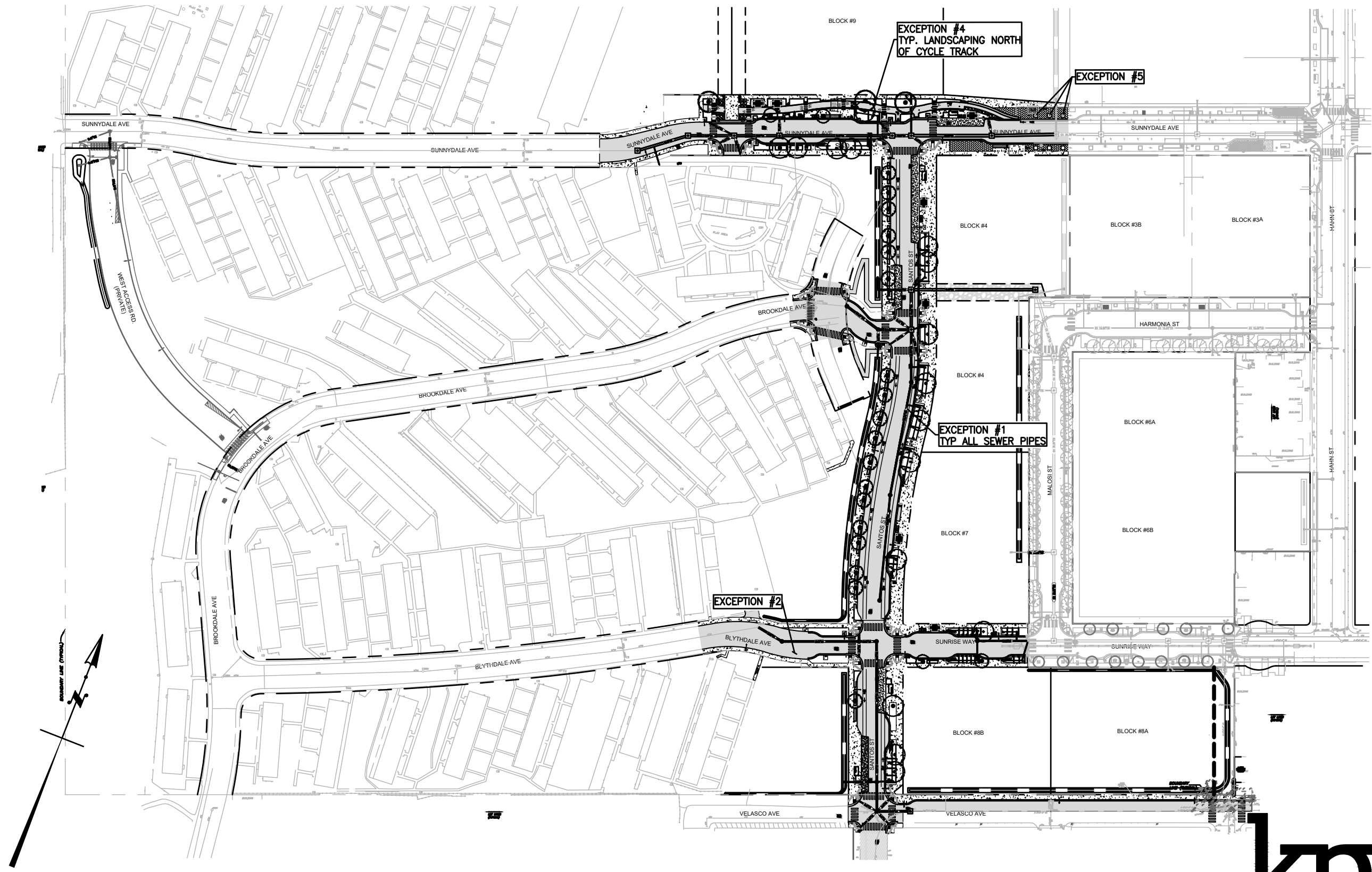
Conclusion

We believe that the proposed exceptions to the 2015 Subdivision Regulations are acceptable due to the existing site constraints on the project and previous approval by SFPUC-WWE for the alternate pipe material. Please review and let me know if there is any additional information you require in order to complete your review. If needed, I'm happy to arrange a meeting to discuss in further detail and answer any questions you may have.

Sincerely,

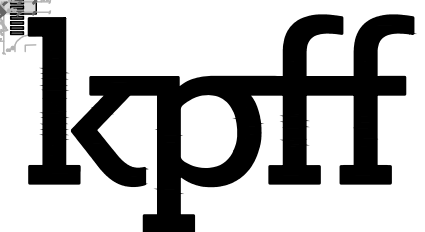
A handwritten signature in blue ink, appearing to read 'RJ Beaton'.

Ryan Beaton, PE
Associate, C 82786
ryan.beaton@kpff.com



PHASE 1B/1C VARIANCE LOCATIONS EXHIBIT

SUNNYDALE 1B/1C



45 Fremont Street, 28th Floor
San Francisco, CA 94105
415.989.1004 | kpff.com

JOB NUMBER: 2100141

DATE:10/22/2024

Exhibit E

List of documents required by City in order to issue a Notice of Completion

1. Subdivider's Request Letter for Notice of Completion ("NOC")
2. Construction Manager Certification of Completion
3. Contractor Substantial Completion Letter
4. Civil Engineer Certification Letter
5. Geotechnical Engineer Certification Letter
6. Landscape Architect Certification Letter
7. Corrosion Engineer Certification Letter
8. 3rd Party Special Inspector Affidavit (if applicable)
9. City Final Punch-list Approval
10. Utility Conformance Letters
11. As-Built Plan (PDF and CAD) Approval
12. Confirmation that all RFIs and Submittals Closed
13. Confirmation that all Instructional Bulletins have been closed and any conditions satisfied
14. Draft Document for Recorded Notice of Completion
15. Confirmation of installation of Survey Monuments within the timeframe established by the Final Map
16. Infrastructure Testing Reports
17. Confirmation of Removal of all Non-Compliance Reports ("NCR")
18. Confirmation all Change Orders have been closed
19. Confirmation from City that Spare Parts have been provided (as applicable)
20. Confirmation from City that any conditions to SIP have been satisfied
21. Operation and Maintenance Manuals and special warranties (as applicable)
22. NOC Recommendation from Public Works

Exhibit F

List of documents required by the City in order to make a Request for Acceptance

1. Subdivider Request for Acceptance Letter
2. Lien Notification to General Contractor and Subcontractors
3. Utility Bills of Sale
4. 3rd Party Reimbursement Checks – Copies (if applicable)
5. Assignment of Warranties and Guaranties
6. License Agreements (as applicable)
7. Mechanic's Lien Guarantee
8. Modified Offers of Improvements (as applicable)
9. Modified Offers of Dedication (as applicable)
10. Modified Easements or Easement Vacations (as applicable)
11. Modified Deeds (as applicable)
12. Draft A-17 Map
13. Draft Q-20 Drawing

EXHIBIT G-1
Performance Bond
[RESERVED]

EXHIBIT G-2

Payment Bond

[RESERVED]

EXHIBIT G-3
Monument Bond

SUBDIVISION MONUMENT BOND

WHEREAS, the City and County of San Francisco , (hereinafter designated as "Obligee") and SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC,* (hereinafter designated as "Principal")
*a California limited liability company
have entered into an agreement whereby Principal has presented to the Obligee for its approval a Final Subdivision Map, which Map carries the Engineer's or Surveyor's certificate that the monuments will be set on or before a specified later date, which said Agreement dated _____, and identified as Project Sunnydale Final Map PID 12077 _____, is hereby referred to and made a part hereof; and

WHEREAS, said Principal shall insure the setting of monuments to guarantee payment to the Engineer or Surveyor for setting such monuments in said Subdivision, and as a prerequisite to the approval of said Final Subdivision Map; and

NOW, THEREFORE, we, the Principal and Trisura Insurance Company
as Surety, are held and firmly bound unto the Obligee in the penal sum of \$ Forty-Five Thousand**,
**and 0/100 Dollars (\$45,000.00)
lawful money of the United States, for the payment of such sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally.

The condition of this obligation is such that the obligation shall become null and void if the above-bounded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to, abide by, well and truly keep, and perform the covenants, conditions, and provisions in the agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to his or their true intent and meaning, and shall indemnify and save harmless the Obligee, its officers, agents, and employees, as therein stipulated; otherwise, this obligation shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the Obligee in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on November 8, 2024 .

(Seal)

(Seal)

SURETY Trisura Insurance Company

PRINCIPAL SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC,
a California limited liability company

By: Kathryn E. Kade

By: Elizabeth Kuwada

Kathryn E. Kade, Attorney-in-Fact
(Name)

ELIZABETH KUWADA
(Name)

2 Stamford Plaza Suite 1504, 281 Tresser Boulevard
(Address)

VICE PRESIDENT
(Title)

Stamford, CT 06901

1256 Market st, San Francisco, CA 94102
(Address)

By: New Grid 2 LLC, a California limited liability company
By: Mercy Housing Calwest, a California nonprofit benefit corporation
its sole member and manager

ELIZABETH KUWADA
(Name)

VICE PRESIDENT
(Title)

1256 Market st
(Address)
San Francisco, CA 94102

DUAL OBLIGEE RIDER

To be attached to and form a part of contract bond number TIC004243 issued by the _____

Trisura Insurance Company

on behalf of SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC, a California limited liability company

in the amount of Forty-Five Thousand and 00/100

Dollars (\$ 45,000.00)

and dated November 8, 2024 in favor of _____

City and County of San Francisco

in consideration of the sum of One Dollar (\$1.00), and other good and valuable consideration receipt of which is hereby acknowledged, the Undersigned hereby agree as follows:

1. The Housing Authority of the City and County of San Francisco

_____ is hereby added to said bond as an additional obligee.

2. The Surety shall not be liable under this bond to the Obligee, or either of them unless the said Obligees, or either of them, shall make payments to the Principal strictly in accordance with the terms of the said contract as to payments, and shall perform all other obligations to be performed under said contract at the time and in the manner therein set forth.

3. No suit, action or proceeding by reason of any default whatever shall be brought on this bond after two (2) years from the day on which the final payment under said construction contract falls due.

4. Aggregate liability of Surety hereunder to Obligees is limited to the penal sum above stated and Surety, upon making payment hereunder, shall be subrogated to, and shall be entitled to an assignment of all rights of the payee with respect to the particular obligation discharged by the payment, either against principal or against any other party liable to the payee on the discharged obligation.

Signed, Sealed and Dated this 8th day of November, 2024.

SUNNYDALE PHASE 3 INFRASTRUCTURE, LLC,
a California limited liability company

Trisura Insurance Company

By Elyon A. [Signature]

By Kathryn E. Kade [Signature]
Kathryn E. Kade, Attorney-in-Fact

By: New Grid 2 LLC, a California limited liability company
By: Mercy Housing Calwest, a California nonprofit benefit corporation
its sole member and manager

By Elyon A. [Signature]



2 Stamford Plaza
Suite 1504, 281 Tresser Boulevard
Stamford, Connecticut 06901
us.surety@trisura.com

POWER OF ATTORNEY

Bond Number: TIC004243
Bond issuance date: November 8, 2024

KNOW ALL MEN BY THESE PRESENTS: That **TRISURA INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Oklahoma, authorized to conduct a surety business, and having its principal place of business at 2 Stamford Plaza, Suite 1504, Tresser Boulevard, Stamford, Connecticut 06901, does hereby constitute and appoint:

Mona D. Weaver, Kathryn E. Kade, Angela M. Tindol, Anuj Jain, Sheila J. Montoya

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **TRISURA INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **TRISURA INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **TRISURA INSURANCE COMPANY** at a meeting duly held on the 11th day of **December, 2020**.

"RESOLVED, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **TRISURA INSURANCE COMPANY** have each executed and attested these presents
on this 25th day of February, 2022.

STATE OF Connecticut
County of Fairfield

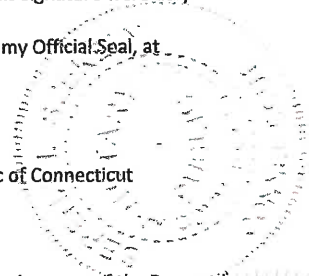

George James, Chief Underwriting Officer, Surety



On this 25th day of February, 2022, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **TRISURA INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at
Fairfield, Connecticut the day and year first above written.

SERENA I. SZEKELY  seal
Notary Public, State of Connecticut
My Commission Expires 10/31/2026
My Commission Expires: 10/31/2026



CERTIFICATION

I, the undersigned officer of **TRISURA INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, **November 8, 2024**


Richard Grant, Vice President, U.S. Surety

TO CONFIRM AUTHENTICITY OF THIS BOND OR DOCUMENT EMAIL: us.surety@trisura.com

EXHIBIT G-4

Memorandum of Agreement (“MOA”) for Interim Security

MEMORANDUM OF AGREEMENT

(Sunnydale Phase 3 Public Improvement Security)

This Memorandum of Agreement (“**MOA**”) is dated as of September 27, 2024 by and between the Mayor's Office of Housing and Community Development (“**MOHCD**”) and San Francisco Public Works (“**SFPW**”). MOHCD and SFPW are both departments of the City and County of San Francisco, a municipal corporation (“**City**”).

RECITALS

A. In 2007, San Francisco Housing Authority (“**SFHA**”) issued a Request for Qualifications for a developer to redevelop the Sunnydale and Velasco public housing site, which totaled 48.8-acres (“Sunnydale”). In 2008, SFHA selected the development team originally formed as Sunnydale Development Co., LLC (“**Master Developer**”), a limited liability company, which entity assigned its interests, rights and obligations with respect to infrastructure improvements to Sunnydale Infrastructure, LLC. Sunnydale Infrastructure, LLC subsequently assigned all of its interests, rights and obligations with respect to construction of the Site (as defined in Recital C below) to Sunnydale Infrastructure Phase 3 Infrastructure, LLC (as assignee, the “**Subdivider**”). Master Developer is comprised of the Mercy Housing California (“**Mercy**”) and Related California (“**Related**”).

B. Sunnydale is a public housing development owned by the San Francisco Housing Authority in the City and County of San Francisco, California, which originally consisted of 775 rental units and is undergoing a multiphase renovation to create a new viable mixed-finance project. In addition, Sunnydale revitalization is part of a larger City and SFHA initiative under the City's HOPE SF Program (“**HOPE SF**”). HOPE SF is the nation’s first large-scale community development and reparations initiative aimed at creating vibrant, inclusive, mixed-income communities without mass displacement of the original residents. The entire Sunnydale development will consist of the demolition of the original 775 public housing apartment units on the property, and new construction of (a) 775 replacement public housing units, (b) up to an additional 219 tax credit affordable, and (c) approximately 600 market rate units; (d) off-street parking, new roadways, and sidewalks; (e) 30,000 square foot Community Center with recreational facility and family and youth development programs for the entire neighborhood and early childhood learning center; (f) 22,000 square feet for a neighborhood health clinic, arts program, early childhood education center, and job training for youth and adults located in the ground floor of the senior and family mixed use buildings across the street from the Community Center; (g) 8,000 square feet of neighborhood serving retail including a corner grocery, financial services, and healthy eating establishments also located in the ground floor of the senior housing/mixed use building; and (h) 4.6 acres of open spaces in four blocks and a linear open space on the north side of Sunnydale Avenue.

C. Sunnydale Phase 3 is 14.67 acres (639,875 square feet) (the “**Site**”) within Sunnydale. The Site is bordered to the south by Velasco Avenue, to the west by original Sunnydale Public Housing, to the north by McLaren Park and east by newly developed affordable buildings 290 Malosi and Nia and the Community Center. Infrastructure improvements for Sunnydale Phase

3 will support two new affordable buildings, Block 7 and Block 9 at the Site, as well as almost 2.5 acres of open space, Block 2 and Block 4. Blocks 7 and 9 will contain a total of 184 units of affordable housing, including 138 public housing replacement units. A garage entry to Block 7 will be located on Malosi Street and a garage entry to Block 9 will be located north of Sunnydale Avenue to the west of Block 9. No off-street parking will be provided within the Site.

D. In cooperation with SFHA and residents, MOHCD is leading the development and financing plan for the Site. In preparation for the development of new permanently affordable rental housing on the Site, MOHCD, SFPW and other City agencies are supporting subdivision actions for the Site. The Sunnydale Phase 3 Final Subdivision Map No. 12077 (the “**Final Map**”) is anticipated to be presented to the San Francisco Board of Supervisors for approval in October 2024. The Subdivider is a party to a Public Improvement Agreement with City (“PIA”) that will be approved and recorded concurrently with the Final Map. This MOA is an exhibit to the PIA and part of the PIA.

E. The Subdivision Map Act and the City’s 2015 Subdivision Regulations, Section 2.c require that security (bonds or other acceptable security as provided in Section 66499 of the California Government Code) be posted at the time of Board of Supervisors’ approval of the Final Map to cover the cost of all required public improvements. The security amount pursuant to this requirement is set by the estimate of costs included with the PIA as Exhibit B “Estimated Costs” that is reviewed and approved by Public Works.

F. The Subdivider is unable to provide the security required by Section 3 of the PIA until it has a contract with a general contractor (“GC”) to construct the Subdivider’s Obligations (as defined in the PIA) which is anticipated in Q4 2024. MOHCD and SFPW have agreed to the terms of this MOA in order to provide adequate security for City to approve the Final Map.

AGREEMENT

MOHCD and SFPW hereby agree as follows:

1. MOHCD Assurances. MOHCD has budgeted and allocated at least 20% of the costs of Subdivider’s Obligations, and will keep such funds allocated until Subdivider’s Obligations under Section 3 of the PIA are complete. If Subdivider fails to complete Subdivider’s Obligations or stops work on them and fails to cure after notice of default, MOHCD will terminate or modify the loan agreement with Subdivider that provides the funding for Subdivider’s Obligations, will keep such funds allocated to the Subdivider Obligations, and if needed, will transfer the remaining funds to the appropriate City department to complete the Subdivider’s Obligations.

2. Adequate Security. SFPW affirms that the provisions of this MOA provide assurances of security that are the equivalent of California Government Code Section 66499(a)(3), and therefore it is acceptable security under California Government Code Section 66499(a)(5).

3. Term. This MOA shall be effective on the date that (a) it is fully executed, and (b) the PIA is effective. This MOA will terminate when (a) Subdivider posts the security specified in Section 3(a) of the PIA and (b) copies of such bonds are made part of the PIA. Such termination shall occur automatically, and there shall be no requirement to amend the PIA to reflect any change in security from this MOA to the bonds specified in Section 3(a) of the PIA. Once terminated, MOHCD and SFPW will cooperate to take any action reasonably necessary to remove this MOA as a lien or charge against the Site.

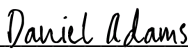
4. Authority; Amendments. Unless otherwise required, all matters requiring MOHCD's approval shall be approved by the Director of MOHCD or his or her designee, and all matters requiring SFPW's approval shall be approved by the Director of SFPW or his or her designee. This MOA may be amended or modified only in writing and signed by the Director of SFPW and the Director of MOHCD. No waiver by any party of any of the provisions of this MOA will be effective unless in writing and signed by an authorized representative, and only to the extent expressly provided in such waiver.

5. Applicable Laws. All actions described herein are subject to and must be conducted in accordance with the applicable requirements of the City's Charter and codes and applicable state and federal laws.

[signatures follow]

IN WITNESS WHEREOF the Parties have caused this MOA to be executed by their duly appointed representatives this 27th day of September 2024.

Mayor's Office of Housing and Community Development

DocuSigned by:
 9/27/2024 | 12:51:40 PM PDT
By: Daniel Adams
Its: Director

San Francisco Public Works


DocuSigned by:
 9/27/2024 | 3:41:39 PM PDT
By: Carla Short
Its: Director

EXHIBIT H

Form of Notice of Termination

NOTICE OF TERMINATION AND RELEASE
OF
Public Improvement Agreement
(DOC-_____)

Notice is hereby given that the Public Improvement Agreement dated _____ and recorded _____ (Document No. _____, Receipt No. _____, Reel _____ Image _____) is hereby TERMINATED and RELEASED as it pertains to the real property situated on Assessor's Block _____ Lot _____ commonly known as [insert street address] (AKA _____) between _____ Street and _____ Street in the City and County of San Francisco (the "City"), State of California, and more fully described in Exhibit "A" to this Notice of Termination and Release (hereinafter referred to as the "Property").

The Public Improvement Agreement ("Agreement") was recorded to provide notice to future owners of the Property that the Subdivider, as defined therein, is subject to certain public improvement and maintenance obligations relating to Final Map No. _____, recorded _____ 20__ in the Official Records of the City, as Document No. _____. Subdivider has completed the aforementioned public improvement obligations and satisfied the maintenance obligations per the Agreement as confirmed by the Director of the Department of Public Works based on _____. The Agreement is attached hereto as Exhibit "B".

The Agreement is hereby terminated.

Dated: _____ in San Francisco, California

OWNER

By: FORM DO NOT SIGN
[Note owner's signatures need to be notarized.]

APPROVED
Department of Public Works [or other affected Department]

By: _____
Director

APPROVED AS TO FORM
David Chiu, City Attorney

By: _____
John Malamut
Deputy City Attorney