

File No. 161249

Committee Item No. 8

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation

Date December 12, 2016

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | Memorandum of Understanding (MOU)            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 - Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 700                                     |
| <input type="checkbox"/>            | <input type="checkbox"/> | Vacancy Notice                               |
| <input type="checkbox"/>            | <input type="checkbox"/> | Information Sheet                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

- |                                     |                          |   |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Planning Commission Motion No. 19780</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MMRP</u>                                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Purchase / sale Agreement</u>            |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | _____                                       |

Completed by: Alisa Somera Date December 9, 2016

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

1 [Conveyance of Real Property - 180 Jones Street - Mayor's Office of Housing and Community  
2 Development - \$1]

3 **Resolution approving and authorizing an agreement for the conveyance of a parcel of**  
4 **real estate for \$1, consisting of approximately 4,744 square feet in land area for the**  
5 **Mayor's Office of Housing and Community Development, pursuant to the land**  
6 **dedication permitted under a separate Ordinance (File No. 161066); adopting findings**  
7 **under the California Environmental Quality Act; adopting findings that the conveyance**  
8 **is consistent with the General Plan, and the eight priority policies of Planning Code,**  
9 **Section 101.1; and authorizing the Director of Property to execute documents, make**  
10 **certain modifications, and take certain actions in furtherance of this Resolution, as**  
11 **defined herein.**

12  
13 WHEREAS, MM 180 Jones LLC ("Seller"), an affiliate of Mid Market Center, LLC  
14 ("Developer") will on or about November 30, 2016, become the fee owner of Assessor's  
15 Parcel Block No. 0343, Lot No. 014, located at 180 Jones Street in the City and County of San  
16 Francisco containing approximately 4,744 square feet of land area (the "Property") ; and

17 WHEREAS, Developer is the owner of Assessor's Parcel Block No. 0342, Lot  
18 Nos. 001, 002, 004, and 014, located at 950-974 Market Street in the City and County of San  
19 Francisco containing approximately 34,262 square feet of land (the "Principal Site") with an  
20 approved Downtown Project Authorization for construction of a mixed use project including  
21 242 dwelling units, a 232-room hotel and ground floor commercial space on the Principal Site;  
22 and

23 WHEREAS, Ordinance No. \_\_\_\_\_ (File No. 161066) was approved by the Board of  
24 Supervisors on its first reading on \_\_\_\_\_, and will be read for final approval on  
25 \_\_\_\_\_, to waive the Inclusionary Affordable Housing requirements set forth

1 in Planning Code, Section 415, the Jobs-Housing Linkage Fee set forth in Planning Code,  
2 Section 413, exempt 26,575 square feet from the calculation of gross floor area pursuant to  
3 Planning Code, Sections 123, 124, and 128, waive the requirements of Health Code, Article  
4 12C, and accept a \$2,000,000 gift from the Developer for the Principal Site in exchange for  
5 dedication of the Property to the City and County of San Francisco ("City") and payments by  
6 the Developer in the amount of \$12.8 million minus the acquisition cost of the Dedicated Land  
7 to the 180 Jones Street Affordable Housing Fund;

8 WHEREAS, Seller and City have negotiated an Agreement of Purchase and Sale for Real  
9 Estate whereby Seller will convey fee title to the Property to City for a purchase price of \$1.00  
10 ("Purchase Agreement"), which will enable City to develop an affordable residential development  
11 consisting of approximately 60 to 70 efficiency dwelling units on the Property; and

12 WHEREAS, The Planning Commission adopted a mitigated negative declaration,  
13 California Environmental Quality Act (CEQA) findings, and a Mitigation and Monitoring  
14 Reporting Program in its Motion No. 17838 for a previously approved 37 dwelling unit project  
15 at the Property ("180 Jones Planning Approvals"); and

16 WHEREAS, This resolution does not constitute an approval of any new or revised  
17 project located at the Property; and

18 WHEREAS, If and when any revised project for the Property is undertaken by the City,  
19 or is submitted to the City for review, the City will conduct any additional environmental review  
20 required by CEQA for that project; and

21 WHEREAS, The Planning Commission adopted a mitigated negative declaration,  
22 CEQA findings, a Mitigation and Monitoring Reporting Program and Downtown Project  
23 Authorization in its Motion No. 19780 for the Principal Site, a copy of which is on file with the  
24 Clerk of the Board of Supervisors under File No. 161249 and is incorporated herein by  
25 reference ("950-974 Market Planning Approvals"); and

1 WHEREAS, The terms and conditions of the Purchase Agreement and the conveyance  
2 of the Property from Seller to the City have been negotiated, as further outlined in the  
3 Purchase Agreement, a copy of which is on file with the Clerk of the Board of Supervisors  
4 under File No. 161249 and is incorporated herein by reference; and

5 WHEREAS, Because the Property is being conveyed to the City pursuant to the land  
6 dedication process permitted under Ordinance No. \_\_\_\_\_ (File No. 161066), the purchase  
7 price to be paid by the City to Seller under the Purchase Agreement is \$1.00; and

8 WHEREAS, The Planning Commission has determined that the development of the  
9 Principal Site and the land dedication and development of the Property with approximately 60  
10 to 70 efficiency affordable dwelling units are consistent with the City's General Plan and with  
11 the eight priority policies of Planning Code, Section 101.1 pursuant to Planning Commission  
12 Motion No. 19780; now, therefore, be it

13 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
14 hereby adopts the findings contained in the 180 Jones Planning Approvals and the 950-974  
15 Market Planning Approvals regarding the CEQA, and hereby incorporates such findings by  
16 reference as though fully set forth in this Resolution; and, be it

17 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
18 hereby finds that the conveyance of the Property is consistent with the General Plan and with  
19 the eight priority policies of Planning Code, Section 101.1 for the same reasons as set forth in  
20 the Ordinance No. \_\_\_\_\_ (File No. 161066), the 180 Jones Planning Approvals and the  
21 950-974 Market Planning Approvals, and hereby incorporates such findings by reference as  
22 though fully set forth in this Resolution; and, be it

23 FURTHER RESOLVED, That in accordance with the recommendation of the Director  
24 of MOHCD and Director of Property, the Board of Supervisors hereby approves the  
25 conveyance of the Property to the City, and the transaction contemplated thereby in

1 substantially the form of the Purchase Agreement presented to the Board and authorizes the  
2 Director of Property to execute the Purchase Agreement; and, be it

3       FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
4 Property to enter into any amendments or modifications to the Purchase Agreement and/or  
5 enter into ancillary agreements (including, without limitation, the exhibits attached to the  
6 Purchase Agreement) that the Director of Property determines, in consultation with the City  
7 Attorney and Director of MOHCD, are in the best interest of the City, do not otherwise  
8 materially increase the obligations or liabilities of the City, are necessary or advisable to  
9 effectuate the purposes of the Purchase Agreement and this resolution and are in compliance  
10 with all applicable laws, including City's Charter; and, be it

11       FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,  
12 in the name and on behalf of the City and County, to accept the deed to the Property from the  
13 Seller upon the closing in accordance with the terms and conditions of the Purchase  
14 Agreement, and to take any and all steps (including, but not limited to, the execution and  
15 delivery of any and all certificates, agreements, notices, consents, escrow instructions, closing  
16 documents and other instruments or documents) as the Director of Property deems necessary  
17 or appropriate in order to consummate the conveyance of the Property pursuant to the  
18 Purchase Agreement, or to otherwise effectuate the purpose and intent of this Resolution,  
19 such determination to be conclusively evidenced by the execution and delivery by the Director  
20 of Property of any such documents; and, be it

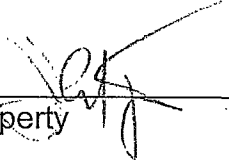
21       FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the  
22 Board of Supervisors a fully executed copy of the Purchase Agreement within thirty (30) days  
23 of signature of same.  
24  
25

Recommended:

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25



Director  
Mayor's Office of Housing and Community Development



Director of Property

Mayor's Office of Housing and Community Development  
City and County of San Francisco



Edwin M. Lee  
Mayor

Olson Lee  
Director

November 15, 2016

Honorable Board of Supervisors  
City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, California 94102

**RE: Real Property Conveyance to City – 180 Jones Street**

Dear Board Members:

Attached for your consideration is a proposed resolution approving and authorizing the Director of Property to execute the purchase agreement and accept the property located at 180 Jones Street on behalf of the City and County of San Francisco.

The Mayor's Office of Housing and Community Development is supportive of this conveyance. If you have any further questions regarding this proposed legislative package, please do not hesitate to contact me or my Deputy Director, Kate Hartley at (415) 701-5528.

Sincerely,

A handwritten signature in black ink, appearing to read "Olson Lee".

Olson Lee  
Director



# SAN FRANCISCO PLANNING DEPARTMENT

---

## Planning Commission Motion No. 19780

HEARING DATE: November 17, 2016

*Case No.:* 2013.1049E  
*Project Address:* 950-974 Market Street  
*Zoning:* C-3-G (Downtown General Commercial) Use District  
120-X Height and Bulk District  
*Block/Lot:* 0342/001, 002, 004, 014  
*Project Sponsor:* Michelle Lin, Mid Market Center, LLC – (415) 394-9018  
[Michelle@groupi.com](mailto:Michelle@groupi.com)  
*Staff Contact:* Melinda Hue – (415) 575-9041  
[Melinda.Hue@sfgov.org](mailto:Melinda.Hue@sfgov.org)

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

### ADOPTING FINDINGS RELATED TO THE APPEAL OF THE PRELIMINARY MITIGATED NEGATIVE DECLARATION, FILE NUMBER 2013.1049E FOR THE PROPOSED DEVELOPMENT ("PROJECT") AT 950-974 MARKET STREET.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby AFFIRMS the decision to issue a Mitigated Negative Declaration, based on the following findings:

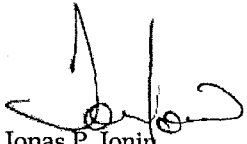
1. On November 19, 2013, pursuant to the provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, the Planning Department ("Department") received an Environmental Evaluation Application form for the Project, in order that it might conduct an initial evaluation to determine whether the Project might have a significant impact on the environment.
2. On July 6, 2016, the Department determined that the Project, as proposed, could not have a significant effect on the environment.
3. On July 6, 2016, a notice of determination that a Mitigated Negative Declaration would be issued for the Project was duly published in a newspaper of general circulation in the City, and the Mitigated Negative Declaration posted in the Department offices, and distributed all in accordance with law.
4. On July 26, 2016, an appeal of the decision to issue a Mitigated Negative Declaration was timely filed by Brian Basinger and Rick Galbreath for the Q Foundation ("appellant").
5. A staff memorandum, dated October 27, 2016, addresses and responds to all points raised by appellant in the appeal letter. That memorandum is attached as Exhibit A and staff's findings as to those points are incorporated by reference herein as the Commission's own findings. Copies of that memorandum have been delivered to the City Planning Commission, and a copy of that memorandum is on file and available for public review at the San Francisco Planning Department, 1660 Mission Street, Suite 500.



6. On November 17, 2016, the Commission held a duly noticed and advertised public hearing on the appeal of the Preliminary Mitigated Negative Declaration, at which testimony on the merits of the appeal, both in favor of and in opposition to, was received.
7. All points raised in the appeal of the Preliminary Mitigated Negative Declaration at the November 17, 2016 San Francisco Planning Commission hearing have been responded to either in the Memorandum or orally at the public hearing.
8. After consideration of the points raised by appellant, both in writing and at the November 17, 2016 hearing, the San Francisco Planning Department reaffirms its conclusion that the proposed project could not have a significant effect upon the environment.
9. In reviewing the Preliminary Mitigated Negative Declaration issued for the Project, the Planning Commission has had available for its review and consideration all information pertaining to the Project in the Planning Department's case file.
10. The Planning Commission finds that Planning Department's determination on the Mitigated Negative Declaration reflects the Department's independent judgment and analysis.

The San Francisco Planning Commission HEREBY DOES FIND that the proposed Project, could not have a significant effect on the environment, as shown in the analysis of the Mitigated Negative Declaration, and HEREBY DOES AFFIRM the decision to issue a Mitigated Negative Declaration, as prepared by the San Francisco Planning Department.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission on November 17, 2016.



Jonas P. Ionin  
Commission Secretary

AYES: Fong, Hillis, Johnson, Koppel  
NOES: Melgar, Moore, Richards  
ABSENT: None  
ADOPTED: November 17, 2016

**MITIGATION MONITORING AND REPORTING PROGRAM**

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<b>MITIGATION MEASURES AGREED TO BY PROJECT SPONSOR</b>					
<b>CULTURAL RESOURCES</b>					
<p><i>Mitigation Measure M-CR-1: Vibration Monitoring and Management Plan</i></p> <p>The Project Sponsor shall retain the services of a qualified structural engineer and preservation architect that meet the Secretary of the Interior’s Historic Preservation Professional Qualification Standards to conduct a Pre-Construction Assessment of the Crest/Egyptian Theater at 976–980 Market Street and the Warfield Building at 986–988 Market Street. Prior to any ground-disturbing activity, the Pre-Construction Assessment should be prepared to establish a baseline, and shall contain written and/or photographic descriptions of the existing condition of the visible exteriors of the adjacent buildings and in interior locations upon permission of the owners of the adjacent properties. The Pre-Condition Assessment should determine specific locations to be monitored, and include annotated drawings of the buildings to locate accessible digital photo locations and location of survey markers and/or other monitoring devices (e.g., to measure vibrations). The Pre-Construction Assessment will be submitted to the Planning Department along with the Demolition and/or Site Permit Applications.</p> <p>The structural engineer and/or preservation architect shall develop, and the Project Sponsor shall adopt, a vibration management and continuous monitoring plan to protect the Crest/Egyptian Theater at 976–980 Market Street and the Warfield Building at 986–988 Market Street against damage caused by vibration or differential settlement caused by vibration during project construction activities. In this plan, the maximum vibration level not to be exceeded at each building shall be 0.2 inch/second, or a level determined by the site-</p>	<p>Project Sponsor to retain qualified structural engineer and preservation architect to conduct the assessment.</p>	<p>Prior to issuance of grading or building permits.</p>	<p>Prepare pre-construction assessment and vibration management and continuous monitoring plan.</p>	<p>Planning Department to review pre-construction assessment.</p>	<p>Considered complete upon submittal to ERO of post-construction report on construction monitoring program and effects, if any, on proximate historical resources.</p>

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>specific assessment made by the structural engineer and/or preservation architect for the project. The vibration management and monitoring plan should document the criteria used in establishing the maximum vibration level for the project. The vibration management and monitoring plan shall include pre-construction surveys and continuous vibration monitoring throughout the duration of the major structural project activities to ensure that vibration levels do not exceed the established standard. The vibration management and monitoring plan shall be submitted to the Planning Department Preservation Staff prior to issuance of any construction permits.</p>					
<p>Should vibration levels be observed in excess of the standard, or damage is observed to either the Crest/Egyptian Theater at 976-980 Market Street or the Warfield Building at 986-988 Market Street, construction shall be halted and alternative techniques put in practice, to the extent feasible. The structural engineer and/or historic preservation consultant should conduct regular periodic inspections of digital photographs, survey markers, and/or other monitoring devices for each historic building during ground-disturbing activity at the project site. The buildings shall be protected to prevent further damage and remediated to pre-construction conditions as shown in the pre-construction assessment with the consent of the building owner. Any remedial repairs shall not require building upgrades to comply with current San Francisco Building Code standards.</p>	Project Sponsor/qualified structural engineer/historic preservation architect/contractor.	During construction activities, including project related soil-disturbing activities.	If damage is found, protect buildings from further damage and restore to pre-construction conditions.	Project Sponsor is responsible for contractor compliance.	Considered complete upon submittal to ERO of post-construction report on damage to proximate historical resources, if any, and results of remediation.
<p><b>Mitigation Measure M-CR-3: Archeological Testing</b></p> <p>Based on a reasonable presumption that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The Project Sponsor shall retain the services of an archeological consultant from the rotational Department Qualified Archeological Consultants List (QACL) maintained by the Planning Department archeologist. The Project Sponsor shall contact the Department</p>	Project Sponsor/ archeological consultant at the direction of the ERO.	Prior to issuance of grading or building permits.	Conduct archeological testing program.	Project Sponsor to retain a qualified archeological consultant who shall report to the ERO.	Considered complete after construction activities have ended.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of 4 weeks. At the direction of the ERO, the suspension of construction can be extended beyond 4 weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archeological resource, as defined in CEQA Guidelines Section 15064.5 (a)(c).</p>					
<p><i>Consultation with Descendant Communities.</i> On discovery of an archeological site<sup>1</sup> associated with descendant Native Americans, the Overseas Chinese, or other descendant group, an appropriate representative<sup>2</sup> of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to consult with the ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archeological Resources</p>	<p>Project Sponsor/ archeological consultant at the direction of the ERO.</p>	<p>In the event archeological sites associated with descendant Native Americans, the Overseas Chinese, or other descendant group are found.</p>	<p>Contact representative of descendant group to monitor archeological field investigations, if desired.</p>	<p>Project Sponsor/ archeological consultant to monitor throughout all soil disturbing activities.</p>	<p>Project archeologist to report to ERO on progress of any field investigations monthly, or as required by ERO. Considered complete after Final</p>

<sup>1</sup> The term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

<sup>2</sup> An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission, and in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
Report shall be provided to the representative of the descendant group.					Archeological Resources Report is submitted to representative of the descendant group.
<p><i>Archeological Testing Program.</i> The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine, to the extent possible, the presence or absence of archeological resources and to identify and evaluate whether any archeological resource encountered on the site constitutes a historical resource under CEQA.</p> <p>At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program, the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist.</p> <p>If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the Project Sponsor, either:</p>	Project Sponsor/ archeological consultant at the direction of the ERO.	Prior to any soil-disturbing activities.	Prepare ATP and final written report.	Archeologist shall prepare and submit draft ATP to the ERO. ATP to be submitted and reviewed by the ERO prior to any soil-disturbing activities at the site.	Project archeologist to report to ERO on progress of any required investigation monthly, or as required by ERO. Considered complete upon review and approval by ERO of results of Archeological Testing Program.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>the proposed project shall be redesigned so as to avoid any adverse effect on the significant archeological resource; or</p> <ul style="list-style-type: none"> <li>a data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.</li> </ul>					
<p><i>Archeological Monitoring Program.</i> If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented, the archeological monitoring program shall minimally include the following provisions:</p> <p>The archeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soil-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk that these activities pose to potential archeological resources and to their depositional context.</p> <p>The archeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archeological resource.</p> <p>The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project</p>	<p>Project Sponsor/ archeological consultant/ archeological monitor/ contractor(s), at the direction of the ERO.</p>	<p>ERO and archeological consultant shall meet prior to commencement of soil-disturbing activity. If the ERO determines that an Archeological Monitoring Program (AMP) is necessary, monitor throughout all soil-disturbing activities.</p>	<p>Prepare AMP, conduct archeological monitoring, prepare and submit final report.</p>	<p>Project Sponsor/ archeological consultant/ archeological monitor/ contractor(s) shall implement the AMP, if required by the ERO.</p>	<p>Project archeologist to report to ERO on progress of any required investigation monthly, or as required by ERO. Considered complete upon review and approval by ERO of results of AMP.</p>

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>archeological consultant, determined that project construction activities could have no effects on significant archeological deposits.</p> <p>The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material, as warranted for analysis.</p> <p>If an intact archeological deposit is encountered, all soil-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities, and equipment until the deposit is evaluated. If in the case of pile-driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile-driving activity may affect an archeological resource, the pile-driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.</p> <p>Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.</p> <p><i>Archeological Data Recovery Program.</i> The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions</p>	Archeological consultant at the direction of the ERO	If there is a determination that an ADRP program is required	Prepare ADRP, conduct archeological data recovery program.	Project Sponsor/ archeological consultant/ archeological monitor/ contractor(s) shall prepare an ADRP if	Project archeologist to report to ERO on progress of any required investigation monthly, or as required by ERO. Considered

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.</p> <p>The scope of the ADRP shall include the following elements:</p> <ul style="list-style-type: none"> <li>• Field Methods and Procedures. Descriptions of proposed field strategies, procedures, and operations.</li> <li>• Cataloguing and Laboratory Analysis. Description of selected cataloguing system and artifact analysis procedures.</li> <li>• Discard and Deaccession Policy. Description of and rationale for field and post-field discard and deaccession policies.</li> <li>• Interpretive Program. Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program.</li> <li>• Security Measures. Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.</li> <li>• Final Report. Description of proposed report format and distribution of results.</li> <li>• Curation. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.</li> </ul> <p><i>Human Remains and Associated or Unassociated Funerary Objects.</i> The treatment of human remains and of associated or unassociated funerary objects discovered during any soil-disturbing activity shall comply with applicable state and federal laws. This shall include</p>	<p>Project Sponsor / archeological consultant in consultation with</p>	<p>In the event human remains and/or</p>	<p>Monitor for human remains and notify</p>	<p>required by the ERO.</p> <p>Project Sponsor/ archeological consultant to monitor</p>	<p>complete upon review and approval by ERO of results of ADRP.</p> <p>Considered complete after construction</p>



Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>immediate notification of the Coroner of the City and County of San Francisco and ERO, and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission, who shall appoint a Most Likely Descendant (MLD) (Public Resources Code Section 5097.98). The archeological consultant, Project Sponsor, ERO, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines Section 15064.5[d]). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects.</p>	<p>the San Francisco Coroner, NAHC, and MDL.</p>	<p>funerary objects are found.</p>	<p>appropriate parties.</p>	<p>throughout all soil-disturbing activities for human remains and associated or unassociated funerary objects and, if found, contact the San Francisco Coroner/NAHC/MDL.</p>	<p>activities have ended.</p>
<p><i>Final Archeological Resources Report.</i> The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.</p> <p>Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological Site Survey Northwest Information Center (NWIC) shall receive one copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Environmental Planning division of the Planning Department shall receive one bound, one unbound, and one unlocked, searchable PDF copy on CD of the FARR, along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the NRHP/CRHR. In instances of high public interest in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.</p>	<p>Project Sponsor/ archeological consultant at the direction of the ERO.</p>	<p>After completion of the archeological data recovery, inventorying, analysis and interpretation.</p>	<p>Prepare FARR and, after approval, distribute to appropriate parties.</p>	<p>Project Sponsor/ archeological consultant to prepare and distribute report, after ERO approval.</p>	<p>Considered complete upon review and approval by ERO.</p>

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p><i>Mitigation Measure M-CR-3: Tribal Cultural Resources Interpretive Program</i></p> <p>If the ERO determines that a significant archeological resource is present, and if in consultation with the affiliated Native American tribal representatives, the ERO determines that the resource constitutes a tribal cultural resource (TCR) and that the resource could be adversely affected by the proposed project, the proposed project shall be redesigned so as to avoid any adverse effect on the significant tribal cultural resource, if feasible.</p> <p>If the Environmental Review Officer (ERO), if in consultation with the affiliated Native American tribal representatives and the Project Sponsor, determines that preservation-in-place of the tribal cultural resources is not a sufficient or feasible option, the Project Sponsor shall implement an interpretive program of the TCR in consultation with affiliated tribal representatives. An interpretive plan produced in consultation with the ERO and affiliated tribal representatives, at a minimum, and approved by the ERO would be required to guide the interpretive program. The plan shall identify, as appropriate, proposed locations for installations or displays, the proposed content and materials of those displays or installation, the producers or artists of the displays or installation, and a long-term maintenance program. The interpretive program may include artist installations, preferably by local Native American artists, oral histories with local Native Americans, artifacts displays and interpretation, and educational panels or other informational displays.</p>	<p>ERO in consultation with Project Sponsor.</p>	<p>In the event that a significant archeological resource constitutes a TCR.</p>	<p>Implementation of interpretive program if the TCR cannot be preserved in place</p>	<p>Project Sponsor to prepare interpretive program produced in consultation with the ERO and affiliated tribal representatives</p>	<p>Considered complete after displays or installation are in place.</p>

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p><b>NOISE</b></p> <p><i>Mitigation Measure M-NO-2: Noise-Control Measures During Pile Driving</i></p> <p>Because the proposed project requires pile driving, a set of site-specific noise attenuation measures shall be completed under the supervision of a qualified acoustical consultant. These attenuation measures shall include as many of the following control strategies, and any other effective strategies, as feasible:</p> <ul style="list-style-type: none"> <li>• The Project Sponsor shall require the construction contractor to erect temporary plywood noise barriers along the boundaries of the project site to shield potential sensitive receptors and reduce noise levels.</li> <li>• The Project Sponsor shall require the construction contractor to implement "quiet" pile-driving technology (such as pre-drilling of piles, sonic pile drivers, and the use of more than one pile driver to shorten the total pile-driving duration), where feasible, in consideration of geotechnical and structural requirements and conditions.</li> <li>• The Project Sponsor shall require the construction contractor to monitor the effectiveness of noise attenuation measures by taking noise measurements.</li> <li>• The Project Sponsor shall require that the construction contractor limit pile-driving activity to result in the least disturbance to neighboring uses.</li> </ul>	Project Sponsor/contractor(s).	Prior to and during construction activities requiring the use of pile-driving equipment.	Erect noise barriers, implement quiet pile-driving technology, take noise measurements, and limit activities, as feasible.	Project Sponsor/contractor(s).	Considered complete after construction activities have ended.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<b>AIR QUALITY</b>					
<i>Mitigation Measure M-AQ-2: Construction Air Quality</i>					
The Project Sponsor or the Project Sponsor's contractor shall comply with the following:	Project Sponsor/ contractor(s).	Prior to construction activities requiring the use of off-road equipment.	Submit certification statement.	Project Sponsor / contractor(s) and the ERO.	Considered complete on submittal of certification statement.
A. Engine Requirements					
1. All off-road equipment greater than 25 hp and operating for more than 20 total hours over the entire duration of construction activities shall have engines that meet or exceed either U.S. Environmental Protection Agency (USEPA) or California Air Resources Board (ARB) Tier 2 off-road emission standards, and have been retrofitted with an ARB Level 3 Verified Diesel Emissions Control Strategy. Equipment with engines meeting Tier 4 Interim or Tier 4 Final off-road emission standards automatically meet this requirement.					
2. Where access to alternative sources of power are available, portable diesel engines shall be prohibited.					
3. Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than 2 minutes at any location, except as provided in exceptions to the applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The contractor shall post legible and visible signs in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the 2-minute idling limit.					
4. The contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM		
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility

B. Waivers

1. The Planning Department's Environmental Review Officer or designee (ERO) may waive the alternative source of power requirement of Subsection (A)(2) if an alternative source of power is limited or infeasible at the project site. If the ERO grants the waiver, the contractor must submit documentation that the equipment used for on-site power generation meets the requirements of Subsection (A)(1).
2. The ERO may waive the equipment requirements of Subsection (A)(1) if a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible; the equipment would not produce desired emissions reduction due to expected operating modes; installation of the equipment would create a safety hazard or impaired visibility for the operator; or there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the ERO grants the waiver, the contractor must use the next cleanest piece of off-road equipment, according to the following table:

Off-Road Equipment Compliance Step-down Schedule

Compliance Alternative	Engine Emission Standard	Emissions Control
1	Tier 2	ARB Level 2 VDECS
2	Tier 2	ARB Level 1 VDECS
3	Tier 2	Alternative Fuel*

How to use the table: If the ERO determines that the equipment requirements cannot be met, the Project Sponsor would need to meet Compliance Alternative 1. If the ERO determines that the contractor cannot supply off-road equipment meeting Compliance Alternative

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
1, the contractor must meet Compliance Alternative 2. If the ERO determines that the contractor cannot supply off-road equipment meeting Compliance Alternative 2, the contractor must meet Compliance Alternative 3.					
* Alternative fuels are not a VDECS.					
C. Construction Emissions Minimization Plan. Before starting on-site construction activities, the contractor shall submit a Construction Emissions Minimization Plan (Plan) to the ERO for review and approval. The Plan shall state, in reasonable detail, how the contractor will meet the requirements of Section A.	Project Sponsor/contractor(s).	Prior to issuance of a permit specified in Section 106A.3.2.6 of the Francisco Building Code.	Prepare and submit a Plan.	Project Sponsor/contractor(s) and the ERO.	Considered complete on findings by ERO that Plan is complete.
1. The Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for every construction phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial number, expected fuel usage, and hours of operation. For VDECS installed, the description may include: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel being used.					
2. The ERO shall ensure that all applicable requirements of the Plan have been incorporated into the contract specifications. The Plan shall include a certification statement that the contractor agrees to comply fully with the Plan.					
3. The contractor shall make the Plan available to the public for review on site during working hours. The contractor shall post at the construction site a legible and visible sign					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
summarizing the Plan. The sign shall also state that the public may ask to inspect the Plan for the project at any time during working hours and shall explain how to request to inspect the Plan. The contractor shall post at least one copy of the sign in a visible location on each side of the construction site facing a public right-of-way.					
D. Monitoring. After the start of construction activities, the contractor shall submit quarterly reports to the ERO documenting compliance with the Plan. After completion of construction activities and prior to receiving a final certificate of occupancy, the Project Sponsor shall submit to the ERO a final report summarizing construction activities, including the start and end dates and duration of each construction phase, and the specific information required in the Plan.	Project Sponsor/contractor(s).	Quarterly.	Submit quarterly reports.	Project Sponsor/contractor(s) and the ERO.	Considered complete on findings by ERO that Plan is being/was implemented.
<i>Mitigation Measure M-AQ-4: Best Available Control Technology for Diesel Generators</i>  The Project Sponsor shall ensure that the backup diesel generator meets or exceeds one of the following emission standards for particulate matter: (1) Tier 4-certified engine, or (2) Tier 2- or Tier 3-certified engine that is equipped with an ARB Level 3 Verified Diesel Emissions Control Strategy (VDECS). A non-verified diesel emission control strategy may be used if the filter has the same particulate matter reduction as the identical ARB-verified model and if the Bay Area Air Quality Management District (BAAQMD) approves of its use. The Project Sponsor shall submit documentation of compliance with the BAAQMD New Source Review permitting process (Regulation 2, Rule 2, and Regulation 2, Rule 5) and the emission standard requirement of this mitigation measure to the Planning Department for review and approval prior to issuance of a permit for a backup diesel generator from any City agency.	Project Sponsor.	Prior to issuance of permit for backup diesel generator from City agency.	Submittal of plans detailing compliance and documentation of compliance with BAAQMD Regulation 2, Rules 2 and 5.	Project Sponsor and the ERO.	Considered complete approval of plans detailing compliance.
<b>GEOLOGY AND SOILS</b>					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p><b>Mitigation Measure M-GE-5: Paleontological Resource Accidental Discovery</b></p> <p>For construction components that require excavation at depths within the Colma Formation, the following measures shall be undertaken to avoid any significant potential project-related adverse effect on paleontological resources.</p> <ul style="list-style-type: none"> <li>• Before the start of any earthmoving activities, the Project Sponsor shall retain a qualified paleontologist to train all construction personnel involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils likely to be seen during construction, and proper notification procedures should fossils be encountered.</li> <li>• If paleontological resources are discovered during earthmoving activities, the construction crew shall immediately cease work near the find, and notify the Project Sponsor and the San Francisco Planning Department. The Project Sponsor shall retain a qualified paleontologist to evaluate the resource and prepare a recovery plan in accordance with Society of Vertebrate Paleontology guidelines. The recovery plan may include a field survey, construction monitoring, sampling and data recovery procedures, museum storage coordination for any specimen recovered, and a report of findings. Recommendations in the recovery plan that are determined by the City to be necessary and feasible shall be implemented before construction activities can resume at the site where the paleontological resources were discovered.</li> </ul>	Project Sponsor and contractor, in consultation with the ERO.	Prior to any ground-disturbing activities at the site.	Train construction personnel and prepare a recovery plan, if necessary.	Project Sponsor responsible for training by qualified paleontologist; ERO approval required for recovery plan, if prepared.	<p>Training: Project Sponsor to maintain training records pre- and during construction.</p> <p>Report: Project Sponsor to prepare report, in consultation with ERO, upon indication that a paleontological resource has been encountered during construction.</p>
<b>HAZARDS AND HAZARDOUS MATERIALS</b>					
<p><b>Mitigation Measure M-HZ-2: Hazardous Building Materials Abatement</b></p>	Project Sponsor and project	Prior to building demolition.	Survey for and abate any	Project Sponsor and project	Considered complete upon



Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
The Project Sponsor shall ensure that the proposed project area is surveyed for hazardous building materials, including polychlorinated biphenyls (PCB)-containing electrical equipment, fluorescent light ballasts containing PCBs or bis (2-ethylhexyl) phthalate (DEHP), and fluorescent light tubes containing mercury vapors. These materials shall be removed and properly disposed of prior to the start of demolition or renovation. Light ballasts that are proposed to be removed during renovation shall be evaluated for the presence of PCBs; if the presence of PCBs in the light ballasts cannot be verified, it shall be assumed that they contain PCBs, and shall be handled and disposed of as such, according to applicable laws and regulations. Any other hazardous building materials identified either before or during demolition or renovation shall be abated according to federal, state, and local laws and regulations.	sponsors of any subsequent development project within the SUD and Special Height and Bulk District.		hazardous building materials.	sponsors of any subsequent development, in consultation with the ERO and SF Department of Public Health (DPH).	ERO and DPH review and approval of project sponsor's documentation regarding hazardous building materials, to be submitted prior to building demolition.

**IMPROVEMENT MEASURES AGREED TO BY PROJECT SPONSOR**

**CULTURAL AND PALEONTOLOGICAL RESOURCES**

*Improvement Measure I-CR-1a: Interpretive Program*

As part of the project, the Project Sponsor should develop an interpretive program to commemorate the former LGBTQ bars in the buildings on the project site and their association with LGBTQ history of the neighborhood and City. Development of this interpretive program will include outreach to the LGBTQ and Tenderloin communities in order to involve these communities and to create a broader, more authentic interpretive approach for the project site and neighborhood. The interpretive program should result, at minimum, in installation of a permanent on-site interpretive display in a publicly-accessible location, such as a lobby or Market Street or Turk Street frontage, to memorialize the importance of the buildings after they are demolished, but may also develop alternative approaches that address the loss of the existing buildings in the context of the neighborhood. The interpretation program may also inform development of the art program required as part of the	Project Sponsor/qualified preservation consultant.	Prior to issuance of the architectural addendum to the Site Permit; Prior to issuance of Temporary Certificate of Occupancy.	Design and install an on-site display to memorialize the historical importance of the building.	Planning Department staff to approve design and final installation.	Planning Department staff to approve design prior to installation, and installation prior to issuance of an occupancy certificate.
--	--	--	---	---	--

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>project. The interpretive program should outline the significance of the subject buildings, namely their association with the Old Crow, Pirates Cave, and Silver Rail bars, individually and collectively within the context of LGBTQ history in the Tenderloin and San Francisco</p> <p>Interpretation of the site's history should be supervised by a qualified consultant meeting the Secretary of the Interior's Professional Qualification Standards for Architectural Historian or Historian. The interpretive materials may include, but are not limited to: a display of photographs, news articles, oral histories, memorabilia, and video. Historic information contained in the Page &amp; Turnbull Historic Resources Evaluation for the subject project and in the Citywide LGBTQ Historic Context Statement may be used for content. A proposal prepared by the qualified consultant, with input from the outreach conducted in the LGBTQ and Tenderloin communities, describing the general parameters of the interpretive program should be approved by the San Francisco Planning Department, Preservation staff prior to issuance of the architectural addendum to the Site Permit. The detailed content, media and other characteristics of such interpretive program, and/or any alternative approach to interpretation identified by the project team, should be approved by Planning Department Preservation staff prior to issuance of a Temporary Certificate of Occupancy.</p>					
<p><b>Improvement Measure I-CR-1b: Construction Best Practices for Historic Resources</b></p> <p>The Project Sponsor will incorporate into construction specifications for the proposed project a requirement that the construction contractor(s) use all feasible means to avoid damage to the Crest/Egyptian Theater at 976-980 Market Street and the Warfield Building at 986-988 Market Street, including, but not limited to, staging of equipment and materials as far as possible from historic buildings to limit damage; using techniques in demolition, excavation, shoring, and construction that create the minimum</p>	Project Sponsor.	During pre-construction and construction activities, including project related soil-disturbing activities.	Incorporate measures to protect damage to the Crest/Egyptian Theater and the Warfield Building into construction specifications.	ERO and, optionally, Planning Department Preservation Technical Specialist, to review construction specifications.	Considered complete after Project Sponsor submittal of construction specifications to ERO.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
feasible vibration; maintaining a buffer zone when possible between heavy equipment and historic resource(s); enclosing construction scaffolding to avoid damage from falling objects or debris; and ensuring appropriate security to minimize risks of vandalism and fire. These construction specifications will be submitted to the Planning Department along with the Demolition and Site Permit Applications.					
<b>TRANSPORTATION AND CIRCULATION</b>					
<i>Improvement Measure I-TR-1a: Residential Transportation Demand Management Program</i>	Project Sponsor	During Post-construction.	Identify a TDM program and coordinator.	Planning Department to monitor Project Sponsor compliance.	Ongoing.
<p>The Project Sponsor will establish a transportation demand management (TDM) program for building tenants in an effort to expand the mix of travel alternatives available for the building tenants. The Project Sponsor has chosen to implement the following measures as part of the building's TDM program:</p> <ul style="list-style-type: none"> <li>TDM Coordinator. The Project Sponsor will identify a TDM Coordinator for the project site. The TDM Coordinator will be responsible for the implementation and ongoing operation of all other TDM measures included in the project. The TDM Coordinator may be a brokered service through an existing transportation management association (e.g., the Transportation Management Association of San Francisco) or may be an existing staff member (e.g., property manager). The TDM Coordinator will not be required to work full time at the project site; however, they will be the single point of contact for all transportation-related questions from building occupants and City of San Francisco staff. The TDM Coordinator will provide TDM training to other building staff about the transportation amenities and options available at the project site and nearby.</li> </ul>					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<ul style="list-style-type: none"> <li>• Transportation and Trip Planning Information               <ul style="list-style-type: none"> <li>○ Move-in packet. The Project Sponsor will provide a transportation insert for the move-in packet that includes information on transit service (local and regional, schedules and fares), information on where transit passes can be purchased, information on the 511 Regional Rideshare Program and nearby bike and car-share programs, and information on where to find additional web-based alternative transportation materials (e.g., NextMuni phone app). This move-in packet should be continuously updated as local transportation options change, and the packet should be provided to each new building occupant. The Project Sponsor will also provide Muni maps and San Francisco Bicycle and Pedestrian maps upon request.</li> <li>○ New-hire packet. The Project Sponsor will provide a transportation insert for the new-hire packet that includes information on transit service (local and regional, schedules and fares), information on where transit passes can be purchased, information on the 511 Regional Rideshare Program and nearby bike and car-share programs, and information on where to find additional web-based alternative transportation materials (e.g., NextMuni phone app). This new hire packet should be continuously updated as local transportation options change, and the packet should be provided to each new building occupant. The Project Sponsor will also provide Muni maps and San Francisco Bicycle and Pedestrian maps upon request.</li> <li>○ Current transportation resources. The Project Sponsor will maintain an available supply of Muni maps and San Francisco Bicycle and Pedestrian maps.</li> </ul> </li> </ul>					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<ul style="list-style-type: none"> <li>Bicycle Measure - Bay Area Bike Share. The Project Sponsor will cooperate with the San Francisco Municipal Transportation Agency, San Francisco Department of Public Works, and/or Bay Area Bike Share (agencies) and allow installation of a bike share station in the public right-of-way along the project's frontage.</li> </ul>					
<p><i>Improvement Measure I-TR-1b: Passenger Loading</i></p> <p>It should be the responsibility of the Project Sponsor to ensure that project-generated passenger loading activities along Turk Street are accommodated within designated on-street parking spaces or within the proposed on-street passenger loading zone adjacent to the project site. Specifically, the Project Sponsor should monitor passenger loading activities at the proposed zone along Turk Street to ensure that such activities are in compliance with the following requirements:</p> <ul style="list-style-type: none"> <li>Double parking, queuing, or other project-generated activities do not result in intrusions into the adjacent travel lane along Turk Street. Any project-generated vehicle conducting, or attempting to conduct, passenger pick-up or drop-off activities should not occupy, or obstruct free-flow traffic circulation in, the adjacent travel lane for a consecutive period of more than 30 seconds on a daily basis.</li> <li>Vehicles conducting passenger loading activities are not stopped in the passenger loading zone for an extended period of time. In this context, an "extended period of time" shall be defined as more than 5 consecutive minutes at any time.</li> </ul> <p>Should passenger loading activities at the proposed on-street passenger loading zone along Turk Street not be in compliance</p>	Project Sponsor.	Post-construction.	Identify any pedestrian or vehicle queues or conflicts, and employ abatement methods	Planning Department to monitor Project Sponsor compliance.	Planning Department staff to monitor quarterly until ERO deems monitoring and success of the improvement measure complete.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/ Reporting Responsibility	

with the above requirements, the Project Sponsor should employ abatement methods, as needed, to ensure compliance. Suggested abatement methods may include, but are not limited to, employment or deployment of staff to direct passenger loading activities (e.g., valet); use of off-site parking facilities or shared parking with nearby uses; travel demand management strategies such as additional bicycle parking; and/or limiting hours of access to the passenger loading zone. Any new abatement measures should be reviewed and approved by the Planning Department.

If the Planning Director, or his or her designee, suspects that project-generated passenger loading activities in the proposed passenger loading zone along Turk Street are not in compliance with the above requirements, the Planning Department shall notify the property owner in writing. The property owner, or his or her designated agent (such as building management), shall hire a qualified transportation consultant to evaluate conditions at the site for no less than 7 total days. The consultant shall submit a report to the Planning Department to document conditions. Upon review of the report, the Planning Department shall determine whether or not project-generated passenger loading activities are in compliance with the above requirements, and shall notify the property owner of the determination in writing.

If the Planning Department determines that passenger loading activities are not in compliance with the above requirements, upon notification, the property owner—or his or her designated agent—should have 90 days from the date of the written determination to carry out abatement measures. If after 90 days the Planning Department determines that the property owner or his or designated agent has been unsuccessful at ensuring compliance

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
with the above requirements, use of the on-street passenger loading zone should be restricted during certain time periods or events to ensure compliance. These restrictions should be determined by the Planning Department in coordination with the SFMTA, as deemed appropriate based on the consultant's evaluation of site conditions, and communicated to the property owner in writing. The property owner or his or her designated agent should be responsible for relaying these restrictions to building tenants to ensure compliance.					
<i>Improvement Measure I-TR-1c: Loading Dock Safety</i>	Project Sponsor.	During post-construction activities, as appropriate.	Coordinate loading dock activities with building management.	Planning Department to monitor Project Sponsor compliance.	Ongoing.
Deploy building management staff at the loading dock when trucks are attempting to service the building to ensure the safety of other roadway users and minimize the disruption to traffic, transit, bicycle, and pedestrian circulation. All regular events requiring use of the loading dock (e.g., retail deliveries, building service needs, etc.) should be coordinated directly with building management to ensure that staff can be made available to receive trucks.					
<i>Improvement Measure I-TR-1d: Loading Schedule</i>	Project Sponsor.	During post-construction activities, as appropriate.	Coordinate loading dock activities with building management; obtain necessary permits reserve curb space.	Planning Department to monitor Project Sponsor compliance.	Ongoing.
Schedule and coordinate loading activities through building management to ensure that trucks can be accommodated either in the off-street loading dock or the service vehicle spaces in the building's garage. Trucks should be discouraged from parking illegally or obstructing traffic, transit, bicycle, or pedestrian flow along any of the streets immediately adjacent to the building (Market Street, Turk Street, and Taylor Street). Trucks unable to be accommodated in the loading dock or service vehicle spaces shall be directed to use on-street spaces, such as the commercial loading bay along Market Street or the various yellow curb zones in scattered locations surrounding the project site, or return at a time when these facilities are available for use. Alternatively, necessary permits could					

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>be obtained to reserve the south curb of Turk Street or east curb of Taylor Street, adjacent to the project site, for these activities.</p> <p><i>Improvement Measure I-TR-1e: Construction Truck Delivery Scheduling</i></p> <p>To minimize disruptions to traffic, transit, bicycle, and pedestrian circulation on adjacent streets during the weekday AM and PM peak periods, the contractor shall restrict truck movements and deliveries to, from, and around the project site during peak hours (generally 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m.) or other times, as determined by San Francisco Municipal Transportation Agency and its Transportation Advisory Staff Committee.</p>	Project Sponsor.	During post-construction activities, as appropriate.	Restrict truck activity to and from the project site during peak hours.	MTA to determine peak hours; Planning Department to monitor Project Sponsor compliance.	Ongoing.
<p><i>Improvement Measure I-TR-1f: Construction Traffic Control</i></p> <p>To reduce potential conflicts between construction activities and traffic, transit, bicycles, and pedestrians at the project site, the contractor shall add certain measures to the required traffic control plan for project construction. In addition to the requirements for the construction traffic control plan, the project shall identify construction traffic management best practices in San Francisco, as well as best practices in other cities, that, although not being implemented in San Francisco, could provide valuable information for the project. Management practices could include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>Identifying ways to reduce construction worker vehicle trips through transportation demand management programs and methods to manage construction worker parking demands.</li> <li>Identifying best practices for accommodating pedestrians, such as temporary pedestrian wayfinding signage or temporary walkways.</li> </ul>	Project Sponsor/contractor.	Pre-construction, as part of the traffic control plan.	Incorporate traffic management practices into traffic control plan.	Project Sponsor shall be responsible for contractor compliance.	Considered complete after construction activities have ended.



Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> <li>Identifying ways to consolidate truck delivery trips, including a plan to consolidate deliveries from a centralized construction material and equipment storage facility.</li> <li>Identifying routes for construction-related trucks to utilize during construction.</li> <li>Requiring consultation with the surrounding community, including business and property owners near the project site, to assist coordination of construction traffic management strategies as they relate to the needs of other users adjacent to the project site.</li> <li>Developing a public information plan to provide adjacent residents and businesses with regularly updated information regarding project construction activities, peak construction vehicle activities (e.g., concrete pours), travel lane closures, and other lane closures, and providing a project contact for such construction-related concerns.</li> </ul>					
<p><i>Improvement Measure I-TR-4a: Garage Exit Warning</i></p> <p>Install visible warning devices at the garage entrance to alert pedestrians of outbound vehicles exiting the garage.</p>	Project Sponsor.	During construction and post-construction activities, as appropriate.	Install warning devices at garage entrance.	Planning Department to monitor Project Sponsor compliance.	Project Sponsor to conduct ongoing functionality monitoring.
<p><i>Improvement Measure I-TR-4b: Pedestrian Safety Signage</i></p> <p>Provide on-site signage promoting pedestrian and bicycle safety (e.g., signage at the garage exit reminding motorists to slow down and yield to pedestrians in the sidewalk) and indicating areas of potential conflict between pedestrians in the sidewalk and vehicles entering and exiting the garage.</p>	Project Sponsor.	During construction and post-construction activities, as appropriate.	Install appropriate on-site signage.	Planning Department to monitor Project Sponsor compliance.	Project Sponsor to ensure that signage remains in place.
<p><i>Improvement Measure I-TR-4c: Garage Curb Cut</i></p> <p>Daylight the project's garage curb cut and entrance by designating up to 10 feet of the adjacent curb immediately south of the curb cut</p>	Project Sponsor.	During construction and post-construction	Designate a no-stopping zone	Planning Department to monitor Project	Project Sponsor to ensure that improvements

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
as a red "No Stopping" zone to improve the visibility of pedestrians in the sidewalk along Taylor Street when the yellow zone adjacent to the Warfield Theater is in use by trucks and other large vehicles that may obstruct motorists' field of vision. Implementation of this improvement measure would result in a corresponding reduction (of up to 10 feet) in the length of the existing yellow zone (currently approximately 150 feet), but is not expected to result in any major effect on general accommodation of curbside freight loading and service vehicle activities in the general vicinity of the project, given the magnitude of the overall loss in curb space.		activities, as appropriate.	adjacent to the garage.	Sponsor compliance.	remain in good condition.
<i>Improvement Measure I-TR-4d: Pedestrian Signals</i> Install pedestrian signal heads with countdown timers for the east and south crosswalks at Taylor Street and Turk Street.	Project Sponsor.	During construction.	Install appropriate pedestrian signals.	Planning Department to monitor Project Sponsor compliance.	Project Sponsor to ensure ongoing functionality.
<i>Improvement Measure I-TR-4e: Americans with Disabilities Act Standards</i> Upgrade, redesign, or reconstruct (as needed) the existing curb ramps at the northwest, southwest, and northeast corners of Taylor Street and Turk Street in compliance with Americans with Disabilities Act (ADA) standards. It is assumed that the proposed sidewalk widening along Turk Street will provide ADA-compliant curb ramps at the southeast corner of the intersection.  Construct ADA-compliant curb ramps at both ends of the north crosswalk across Taylor Street at Turk Street and Golden Gate Avenue.  Construct ADA-compliant curb ramps at the northeast corner of the Mason Street and Turk Street intersection.	Project Sponsor/contractor.	During construction.	Update curb ramps to be ADA compliant.	Planning Department to monitor Project Sponsor compliance.	Project Sponsor to ensure ongoing functionality.
<i>Improvement Measure I-TR-4f: Queue Abatement</i>	Project Sponsor.	Post-construction.	Identify any pedestrian or vehicle queues	Planning Department to monitor Project	Planning Department staff to monitor

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<ul style="list-style-type: none"> <li>It should be the responsibility of the Project Sponsor to ensure that vehicle queues do not block any portion of the sidewalk or roadway of Taylor Street, including any portion of any travel lanes. The owner/operator of the parking facility should also ensure that no pedestrian conflict (as defined below) is created at the project driveway.</li> <li>A vehicle queue is defined as one or more stopped vehicles destined to the project garage blocking any portion of the Taylor Street sidewalk or roadway for a consecutive period of 3 minutes or longer on a daily or weekly basis, or for more than 5 percent of any 60-minute period. Queues could be caused by unconstrained parking demand exceeding parking space capacity; vehicles waiting for safe gaps in high volumes of pedestrian traffic; car or truck congestion within the parking garage; or a combination of these or other factors.</li> <li>A pedestrian conflict is defined as a condition where drivers of inbound and/or outbound vehicles, frustrated by the lack of safe gaps in pedestrian traffic, unsafely merge their vehicle across the sidewalk while pedestrians are present and force pedestrians to stop or change direction to avoid contact with the vehicle, and/or contact between pedestrians and the vehicle occurs.</li> <li>There is one exception to the definition of a pedestrian conflict. Sometimes, outbound vehicles departing from the project driveway would be able to cross the sidewalk without conflicting with pedestrians, but then would have to stop and wait in order to safely merge into the Taylor Street roadway (due to a lack of gaps in Taylor Street traffic and/or a red indication from the traffic signal at the Taylor/Turk intersection). While waiting to merge, the rear of the vehicle could protrude into the western half of the sidewalk. This protrusion shall not be considered a pedestrian conflict. This is because the obstruction would be along the western edge of the sidewalk, while the pedestrian path of travel would be along the eastern side of the</li> </ul>			or conflicts, and employ abatement methods	Sponsor compliance.	quarterly until ERO deems monitoring and success of the improvement measure complete.

Adopted Mitigation Measures	Responsibility for Implementation	MONITORING AND REPORTING PROGRAM			Monitoring Schedule
		Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	
<p>sidewalk; street trees and other streetscape elements would already impede pedestrian flow along the west side of the sidewalk. Any pedestrians that would be walking along the west side of the sidewalk would be able to divert to the east and maneuver behind the stopped car. This exception only applies to outbound vehicles, and only if pedestrians are observed to walk behind the stopped vehicle. This exception does not apply to any inbound vehicles, and does not apply to outbound vehicles if pedestrians are observed to walk in front of the stopped outbound vehicle.</p> <ul style="list-style-type: none"> <li>• If vehicle queues or pedestrian conflicts occur, the Project Sponsor should employ abatement methods, as needed, to abate the queue and/or conflict. Appropriate abatement methods would vary depending on the characteristics and causes of the queue and conflict. Suggested abatement methods include but are not limited to the following: redesign of facility to improve vehicle circulation and/or on-site queue capacity; use of off-site parking facilities or shared parking with nearby uses; travel demand management strategies such as additional bicycle parking or employee shuttles; parking demand management strategies such as time-of-day parking surcharges; and/or limiting hours of access to the project driveway during periods of peak pedestrian traffic. Any new abatement measures shall be reviewed and approved by the Planning Department.</li> <li>• If the Planning Director, or his or her designee, suspects that vehicle queues or a pedestrian conflict are present, the Planning Department shall notify the property owner in writing. The facility owner/operator should hire a qualified transportation consultant to evaluate the conditions at the site for no less than 7 days. The consultant should submit a report to the Planning Department to document conditions. Upon review of the report, the Planning Department shall determine whether or not queues</li> </ul>					

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Mitigation Action	Monitoring/Reporting Responsibility	Monitoring Schedule
-----------------------------	-----------------------------------	---------------------	-------------------	-------------------------------------	---------------------

and/or a pedestrian conflict exists, and shall notify the garage owner/operator of the determination in writing.

- If the Planning Department determines that queues or a pedestrian conflict do exist, upon notification, the facility owner/operator should have 90 days from the date of the written determination to carry out abatement measures. If after 90 days the Planning Department determines that vehicle queues and/or a pedestrian conflict are still present or that the facility owner/operator has been unsuccessful at abating the identified vehicle queues or pedestrian conflicts, the hours of inbound and/or outbound access of the project driveway should be limited during peak hours. The hours and directionality of the access limitations shall be determined by the Planning Department, and communicated to the facility owner/operator in writing. The facility owner/operator should be responsible for limiting the hours of project driveway access, as specified by the Planning Department.

**WIND AND SHADOW**

*Improvement Measure I-WS-1: Wind Reduction on New Rooftop Terraces*

To reduce wind and improve usability on the 950-974 Market Street rooftop terraces, the Project Sponsor should provide wind screens or landscaping along the north and west perimeter of the new rooftop terraces. Suggestions include Planning Code-compliant porous materials or structures (vegetation, hedges, screens, latticework, perforated or expanded metal) as opposed to solid surfaces.

Project Sponsor.

During construction and post-construction activities.

Provide wind screens or landscaping to reduce wind.

Project Sponsor.

Project Sponsor to ensure ongoing functionality.

**DRAFT**

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

MM 180 Jones, LLC, a California limited liability company,  
as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,  
as Buyer

For the purchase and sale of

180 Jones Street  
San Francisco, California

November 15, 2016

TABLE OF CONTENTS

	<u>Page</u>
1. PURCHASE AND SALE.....	1
1.1 Property Included in Sale.....	1
2. PURCHASE PRICE.....	1
2.1 Purchase Price.....	1
2.2 Payment.....	2
2.3 Funds.....	2
2.4 Independent Consideration.....	2
3. TITLE TO THE PROPERTY.....	2
3.1 Conveyance of Title to the Property.....	2
3.2 Title Insurance.....	2
3.3 Assignment of Intangibles.....	3
3.4 Assignment of Leases.....	3
4. BUYER'S DUE DILIGENCE INVESTIGATIONS.....	3
4.1 Due Diligence and Time for Satisfaction of Conditions.....	3
5. ENTRY.....	4
5.1 City's Conditions to Closing.....	4
5.2 Cooperation with City.....	6
6. ESCROW AND CLOSING.....	7
6.1 Opening of Escrow.....	7
6.2 Closing Date.....	7
6.3 Seller's Delivery of Documents.....	8
6.4 City's Delivery of Documents and Funds.....	8
6.5 Other Documents.....	9
7. EXPENSES AND TAXES.....	9
7.1 Apportionments.....	9
7.2 Closing Costs.....	10
7.3 Real Estate Taxes and Special Assessments.....	10
7.4 Preliminary Closing Adjustment.....	10
7.5 Survival.....	10
8. REPRESENTATIONS AND WARRANTIES.....	10
8.1 Representations and Warranties of Seller.....	10

8.2 Indemnity .....13

9. RISK OF LOSS AND POSSESSION .....14

9.1 Risk of Loss .....14

9.2 Possession .....14

10. AS IS PURCHASE.....14

11. MAINTENANCE; CONSENT TO NEW CONTRACTS .....18

11.1 Maintenance of the Property by Seller.....18

11.2 City's Consent to New Contracts Affecting the Property; Termination of Existing  
Contracts .....18

12. GENERAL PROVISIONS .....18

12.1 Notices .....18

12.2 Brokers and Finders .....19

12.3 Successors and Assigns.....19

12.4 Amendments .....19

12.5 Continuation and Survival of Representations and Warranties .....19

12.6 Governing Law .....20

12.7 Merger of Prior Agreements .....20

12.8 Parties and Their Agents; Approvals .....20

12.9 Interpretation of Agreement.....20

12.10 Attorneys' Fees.....20

12.11 Sunshine Ordinance .....21

12.12 Conflicts of Interest.....21

12.13 Notification of Limitations on Contributions .....21

12.14 Non-Liability of City Officials, Employees and Agents .....21

12.15 Counterparts.....22

12.16 Effective Date .....22

12.17 Severability .....22

12.18 Acceptance of Agreement by Seller .....22

12.19 Cooperative Drafting. ....22



LIST OF EXHIBITS

EXHIBIT A – Real Property Description

EXHIBIT B – Grant Deed

EXHIBIT C – Assignment of Intangibles

EXHIBIT D – Assignment of Leases

EXHIBIT E – Certificate of Transferor Other Than An Individual (FIRPTA Affidavit)

EXHIBIT F – Designation Agreement

EXHIBIT G – Tenant Estoppel Certificate

**AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE  
(180 JONES ST, SAN FRANCISCO)**

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this "Agreement") dated for reference purposes only as of November 15, 2016, is by and between MM 180 JONES LLC, a California limited liability company ("Seller"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Buyer" or "City").

IN CONSIDERATION of the payment of the non-refundable sum of Ten Dollars (\$10.00) by City, the receipt of which is hereby acknowledged by Seller, and the respective agreements set forth below, Seller and City agree as follows:

**1. PURCHASE AND SALE**

**1.1 Property Included in Sale**

Seller agrees to sell and convey to City, and City agrees to purchase from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately 4,734 square feet (.11 acres) of land, located in the City and County of San Francisco, commonly known as 180 Jones Street and more particularly described in Exhibit A attached hereto (the "Land");

(b) all improvements and fixtures, including, without limitation, all structures, apparatus, equipment and appliances used in connection with the operation or occupancy of the Land and its improvements, fences and retaining walls, if any, located on the Land (collectively, the "Improvements");

(c) any and all rights, privileges, and easements incidental or appurtenant to the Land or Improvements, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Land, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Land, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land, and any and all of Seller's right, title and interest in and to all roads and alleys adjoining or servicing the Land (collectively, the "Appurtenances"); and

(d) any intangible personal property now or hereafter owned by Seller and used in the ownership, use or operation of the Land, Improvements or Personal Property, including, without limitation, any other trade name now used in connection with the Land or Improvements, and, to the extent expressly approved by City pursuant to this Agreement, any contract rights or other agreements or rights relating to the ownership, use and operation of the Land, Improvements or Personal Property or any of the foregoing (collectively, the "Intangible Property").

All of the items referred to in Subsections (a), (b), (c), and (d) above are collectively referred to as the "Property."

**2. PURCHASE PRICE**

**2.1 Purchase Price**

The total purchase price for the Property is Ten Dollars (\$10.00) (the "Purchase Price").

## **2.2 Payment**

On the Closing Date (as defined in Section 6.2 [Closing Date]), City shall pay the Purchase Price, adjusted pursuant to the provisions of Article 7 [Expenses and Taxes], and reduced by any credits due City hereunder.

Seller acknowledges and agrees that if Seller fails at Closing to deliver to City the documents required under Subsections 6.3(c) and (d) [Seller's Delivery of Documents], City may be required to withhold and remit to the appropriate tax authority a portion of the Purchase Price pursuant to Section 1445 of the United States Internal Revenue Code of 1986, as amended (the "Federal Tax Code") or Sections 18662 and 26131 of the California Revenue and Taxation Code (the "State Tax Code"). City and Seller shall designate Title Company as the party responsible for implementing such withholding and remitting and reporting the transaction to the taxing authority. Any amount properly so withheld and remitted shall be deemed to have been paid by City as part of the Purchase Price, and Seller's obligation to consummate the transaction contemplated herein shall not be excused or otherwise affected thereby.

## **2.3 Funds**

All payments made by any party hereto shall be in legal tender of the United States of America, paid by Controller's warrant or in cash or by wire transfer of immediately available funds to Title Company (as defined below), as escrow agent.

## **2.4 Independent Consideration**

Concurrently with the execution of this Agreement, City shall pay and deliver to Seller the sum of One Hundred Dollars (\$100.00) as separate and independent consideration ("Independent Consideration") for Seller's execution of this Agreement and agreement to sell the Property to City on and subject to the terms and conditions of this Agreement, including, without limitation, the grant to City of the right to conduct its due diligence investigation of the Property and the grant to City of the right to terminate this Agreement prior to the Due Diligence period in connection with such due diligence investigation. The Independent Consideration is not applicable to the Purchase Price and is non-refundable to City in the event this Agreement terminates prior to the Closing.

## **3. TITLE TO THE PROPERTY**

### **3.1 Conveyance of Title to the Property**

At the Closing Seller shall convey to City, or its nominee, marketable and insurable fee simple title to the Property, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit B (the "Deed"), subject to the Accepted Conditions of Title (as defined in Section 3.2 [Title Insurance]).

### **3.2 Title Insurance**

Delivery of title in accordance with the preceding Section shall be evidenced by the commitment of Fidelity National Title Company (the "Title Company") to issue to City an ALTA extended coverage owner's policy of title insurance (Form ALTA 2006 – updated 6/17/2006) (the "Title Policy") in the amount of the Purchase Price, insuring fee simple title to the Property in City free of the liens of any and all deeds of trust, mortgages, assignments of rents, financing statements, rights of tenants or other occupants, (except for the tenants under leases approved by City, provided such exception is limited to the interest of such tenants as tenants only without any rights or options to purchase any of the Property) and all other exceptions, liens and encumbrances except solely for the Accepted Conditions of Title pursuant

to Subsection 5.1(a) below. The Title Policy shall provide full coverage against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Property, if any, shall delete any required arbitration provision and shall contain an affirmative endorsement that there are no violations of restrictive covenants, if any, affecting the Property and such special endorsements as City may reasonably request. The Title Policy shall also provide for reinsurance with direct access with such companies and in such amounts as City may reasonably request.

### **3.3 Assignment of Intangibles**

At the Closing Seller shall transfer title to the Intangible Property by such instruments as City may reasonably determine necessary, including, without limitation, an assignment of Intangible Property in the form attached hereto as Exhibit C (the "Assignment of Intangible Property").

### **3.4 Assignment of Leases**

At the Closing Seller shall transfer its title to the Leases by an assignment of leases in the form attached hereto as Exhibit D (the "Assignment of Leases"), such title to be free of any liens, encumbrances or interests, except for the Accepted Conditions of Title.

## **4. BUYER'S DUE DILIGENCE INVESTIGATIONS**

### **4.1 Due Diligence and Time for Satisfaction of Conditions**

City has been given or will be given before the Closing, a full opportunity to investigate the Property, either independently or through agents of City's own choosing, including, without limitation, the opportunity to conduct such appraisals, inspections, tests, audits, verifications, inventories, investigations and other due diligence regarding the economic, physical, environmental, title and legal conditions of the Property as City deems fit, as well as the suitability of the Property for City's intended uses. City and its Agents may commence due diligence investigations on the Property on or after the date this Agreement is executed by both parties hereto. Seller agrees to deliver to City all of the Documents and other items described in Subsection 5.1(d) within two (2) days after the date Seller executes this Agreement, provided that if Seller fails to do so, then the Closing shall be extended by the number of days after the end of such 2-day delivery period that Seller delivers all such items to City.

### **4.2 Entry**

At all times prior to the Closing Date Seller shall afford City and its Agents reasonable access to the Property for the purposes of satisfying City with respect to the representations, warranties and covenants of Seller contained herein and the satisfaction of the Conditions Precedent including, without limitation, the drilling of test wells and the taking of soil borings. City hereby agrees to indemnify and hold Seller harmless from any damage or injury to persons or property caused by the active negligence or willful misconduct of City or its Agents during any such entries onto the Property prior to the Closing, except to the extent such damage or injury is caused by the acts or omissions of Seller or any of its Agents. The foregoing indemnity shall not include any claims resulting from the discovery or disclosure of pre-existing environmental conditions or the non-negligent aggravation of pre-existing environmental conditions on, in, under or about the Property. In the event this Agreement is terminated for any reason other than Seller's default hereunder, City shall restore the Property to substantially the condition it was found subject to applicable laws.

## 5. CONDITIONS TO CLOSE

### 5.1 City's Conditions to Closing

The following are conditions precedent to City's obligation to purchase the Property (collectively, "City's Conditions Precedent"):

(a) City shall have reviewed and approved title to the Property, as follows:

(i) Within two (2) days after the date City and Seller execute this Agreement, Seller shall deliver to City a current extended coverage preliminary report on the Property, including any exceptions to title based on a current ALTA survey of the Property, issued by Title Company, accompanied by copies of all documents referred to in the report (collectively, the "Preliminary Report");

(ii) Within the period referred to in clause (i) above, Seller shall deliver to Buyer copies of any existing or proposed easements, covenants, restrictions, agreements or other documents that affect the Property, and are not disclosed by the Preliminary Report, or, if Seller knows of no such documents, a written certification of Seller to that effect; and

(iii) Seller has arranged and paid for an ALTA survey of the Property prepared by a licensed surveyor reasonably acceptable to City (the "Survey"). Such survey shall be acceptable to, and certified to, City and Title Company and in sufficient detail to provide the basis for the Title Policy without boundary, encroachment or survey exceptions that are not Accepted Conditions of Title.

City shall advise Seller, before the Closing, what exceptions to title, if any, City is willing to accept (the "Accepted Conditions of Title").

(b) City's review and approval, by the Closing, of the physical and environmental conditions of the Property. Such review may include an examination for the presence or absence of any Hazardous Material (as defined in Subsection 8.1(j) below). City shall be responsible for performing or arranging any such reviews at City's expense, provided that if City's consultants reasonably determine that, based upon their Phase I examination, a Phase II examination is necessary with respect to all or a part of the Real Property, City may elect to perform a Phase II examination and Seller shall pay the reasonable cost of any such Phase II examination performed by City or City's consultants.

If any of City's investigations reveal any contamination of the Property with any Hazardous Material, then City may, at its sole election, by written notice to Seller as soon as reasonably practicable: (i) request that Seller, at Seller's sole cost, complete before the Closing through duly licensed contractors approved by City such activities as are necessary to cleanup, remove, contain, treat, stabilize, monitor or otherwise control Hazardous Material located on or under the Property in compliance with all governmental laws, rules, regulations and requirements and in accordance with a written remediation plan approved by City in its sole discretion and by all regulatory agencies with jurisdiction; or (ii) terminate this Agreement. If City notifies Seller of its election to request that Seller remediate the contamination as provided in clause (i) above, Seller shall have fifteen (15) days after receipt of City's notice, to elect, at Seller's sole option, to provide City with; (iii) Seller's election to remediate the contamination before the Closing pursuant to clause (i) above; or (iv) Seller's election to terminate this Agreement. Seller's failure to provide notice to Buyer within such fifteen (15)-day period shall be deemed notice of termination under clause (iv) above. If Seller chooses to remediate the contamination as

provided in clause (iii) above the Closing may be extended for a reasonable time to enable Seller to complete such remediation, provided any such extension shall be subject to City's prior written approval, which City may give or withhold in its reasonable discretion. Seller shall indemnify City for any claims relating to the remediation of such Hazardous Material pursuant to a separate written agreement in form and substance satisfactory to City.

(c) City's review and approval, prior to the Closing, of the compliance of the Property with all applicable laws, regulations, permits and approvals.

(d) City's review and approval, prior to the Closing, of (i) the following documents, all to the extent such documents exist and are either in the possession or control of Seller, or any affiliate of Seller, or may be obtained by Seller, or any affiliate of Seller, through the exercise of commercially reasonable efforts: site plans; recent inspection reports or surveys by Seller's consultants; presently effective warranties or guaranties received by Seller from any contractors, subcontractors, suppliers or materialmen in connection with any construction, repair or alteration of the Improvements, if any; insurance policies, if any, and reports of insurance carriers insuring the Property and each portion thereof respecting the claims history of the Property; environmental reports, studies, surveys, tests and assessments; soils and geotechnical reports; and any other contracts or documents of significance to the Property (collectively, the "Documents"); and (ii) such other information relating to the Property that is specifically requested by City of Seller in writing prior to the Closing (collectively, the "Other Information").

(e) City's review and approval, prior to the Closing, of all income and expense statements, year-end financial and monthly operating statements for the Property for the three (3) most recent calendar years, prior to Closing and to the extent available, the current year, all of which shall be certified by an independent certified public accountant as having been prepared in accordance with generally accepted accounting principles (except to the extent prepared on a cash basis).

(f) City's review and approval, prior to the Closing, of the following: (i) all existing and pending leases and other occupancy agreements ("Leases"), (ii) to the extent available, tenant correspondence files, and (iii) to the extent available, a current rent roll for the Property, prepared by Seller and listing for each tenant the name, location of leased premises, rent, obligation for reimbursement of expenses, amount of security deposit and rent paid more than thirty (30) days in advance, lease commencement date, lease termination date, lease expansion or extension options, option rent, and cost of living or other rent escalation clauses, any free rent, operating expense abatements or other unexpired concessions, and a description of any uncured defaults.

(g) Seller's obtaining and delivering to City, before the Closing Date, tenant estoppel certificates in form and substance satisfactory to City from any and all tenants occupying any portion of the Property. Such certificates shall be substantially in the form attached hereto as Exhibit G and shall be dated no earlier than thirty (30) days prior to the Closing Date.

(h) Seller shall not be in default in the performance of any covenant or agreement to be performed by Seller under this Agreement, and all of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date. At the Closing Seller shall deliver to City a certificate certifying that each of Seller's representations and warranties contained in Section 8.1 [Representations and Warranties of Seller] below are true and correct as of the Closing Date.

(i) The physical condition of the Property shall be substantially the same on the Closing Date as on the date of City's execution of this Agreement, reasonable wear and tear and loss by casualty excepted (subject to the provisions of Section 9.1 [Risk of Loss]), and, as of the

Closing Date, there shall be no litigation or administrative agency or other governmental proceeding, pending or threatened, which after the Closing would materially adversely affect the value of the Property or the ability of City to operate the Property for its intended use, and no proceedings shall be pending or threatened which could or would cause the change, redesignation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any of the Property.

(j) Title Company shall be committed at the Closing to issue to City, or its nominee, the Title Policy as provided in Section 3.2 [Title Insurance].

(k) The City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution approving, adopting and authorizing this Agreement and the transactions contemplated hereby, on or before \_\_\_\_\_.

(l) Seller shall have delivered the items described in Section 6.3 below [Seller's Delivery of Documents] on or before the Closing.

The City's Conditions Precedent contained in the foregoing Subsections (a) through (i) are solely for the benefit of City. If any Condition Precedent is not satisfied, City shall have the right in its sole discretion either to waive in writing the Condition Precedent in question and proceed with the purchase or, in the alternative, terminate this Agreement, provided that the City's Condition Precedent described in item (k) above may not be waived. The waiver of any Condition Precedent shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller. If City shall not have approved or waived in writing all of the City's Conditions Precedent in Subsections (a) through (g) by the Closing, then this Agreement shall automatically terminate. In addition, the Closing Date may be extended, at City's option, for a reasonable period of time specified by City, to allow such City's Conditions Precedent to be satisfied, subject to City's further right to terminate this Agreement upon the expiration of the period of any such extension if all such City's Conditions Precedent have not been satisfied.

In the event the sale of the Property is not consummated because of a default under this Agreement on the part of Seller or if a Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or negligent omission, City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller shall pay to City any title, escrow, legal and inspection fees incurred by City and any other expenses incurred by City in connection with the performance of its due diligence review of the Property, and neither party shall have any further rights or obligations hereunder, or (2) continue this Agreement pending City's action for specific performance.

## **5.2 Cooperation with City**

Seller shall cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any City's Conditions Precedent including, without limitation, execution of any documents, applications or permits so long as no obligation of Seller is created which would survive termination of this Agreement, but Seller's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any Condition Precedent. Seller hereby irrevocably authorizes City and its Agents to make all inquiries, with and applications to any person or entity, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

## **5.3 Seller's Conditions to Close**

The following are conditions precedent to Seller's obligation to sell the Property (collectively, "Seller's Conditions Precedent"):

(a) Seller determines in its sole and absolute discretion (i) that the project of Seller's sole member, \_\_\_\_\_, as the owner through a subsidiary entity, of Assessor's Parcel No. 0342, Lots No. 001, 002, 004 and 014, located at 950-974 Market Street in the City and County of San Francisco, containing 34,262 square foot of land has been [ \_\_\_\_\_ PLACEHOLDER FOR SELLER'S CONDITION RELATING TO RECEIPT OF ENTITLEMENTS FOR 950-974 MARKET STREET], and (ii) that pursuant to Ordinance No. \_\_\_\_\_, City approves payment of a cash contribution agreed to by Seller, in its sole and absolute discretion, to meet obligations for inclusionary affordable housing requirements.

(b) City shall not be in default in the performance of any covenant or agreement to be performed by City under this Agreement, and all of City's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date.

(c) The City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution approving, adopting and authorizing this Agreement and the transactions contemplated hereby, on or before \_\_\_\_\_.

(d) City shall have delivered the items described in Section 6.4 below [City's Delivery of Documents] on or before the Closing.

## 6. ESCROW AND CLOSING

### 6.1 Opening of Escrow

On or before the Effective Date (as defined in Article 11 [General Provisions]), the parties shall open escrow by depositing an executed counterpart of this Agreement with Title Company, and this Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. Seller and City agree to execute such additional or supplementary instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

### 6.2 Closing Date

The consummation of the purchase and sale contemplated hereby (the "Closing") shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Title Company located at 601 California Street, Suite 1501, San Francisco, California 94108, on January 13, 2017, or on such earlier date as City and Seller may mutually agree (the "Closing Date"), subject to the provisions of Article 5 [Conditions Precedent]. The Closing Date may be extended by Seller in its reasonable discretion for a period not to exceed 60 days in the event the Seller's Conditions Precedent have not been satisfied on or before the scheduled closing date by written notice to the City delivered on or before 5:00 p.m. PST, January 11, 2017. Except as provided above the Closing Date shall be extended only with the prior written approval of both Seller and City, except as otherwise expressly provided in this Agreement. In the event the Closing does not occur on or before the Closing Date, Title Company shall, unless it is notified by both parties to the contrary within five (5) days after the Closing Date, return to the depositor thereof items which may have been deposited hereunder. Any such return shall not, however, limit the provisions hereof or otherwise relieve either party hereto of any liability it may have for its wrongful failure to close.



**6.3 Seller's Delivery of Documents**

At or before the Closing, Seller shall deliver to City, through escrow, the following:

- (a) a duly executed and acknowledged Deed
- (b) originals of the Documents and any other items relating to the ownership or operation of the Property not previously delivered to City;
- (c) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit C, and on which City is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code;
- (d) four (4) duly executed and acknowledged counterparts of the Assignment of Leases;
- (e) duly executed tenant estoppel certificates as required pursuant to Section 5.1(g) hereof;
- (f) four (4) duly executed counterparts of the Assignment of Intangible Property;
- (g) originals of the Documents, Leases, and any other items relating to the ownership or operation of the Property not previously delivered to City;
- (h) a properly executed California Franchise Tax Board Form 590 certifying that Seller is a California resident if Seller is an individual or Seller has a permanent place of business in California or is qualified to do business in California if Seller is a corporation or other evidence satisfactory to City that Seller is exempt from the withholding requirements of Sections 18662 and 26131 of the State Tax Code;
- (i) such resolutions, authorizations, or other partnership documents or agreements relating to Seller and its partners as City or the Title Company may reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated hereby, and such proof of the power and authority of the individuals executing any documents or other instruments on behalf of Seller to act for and bind Seller;
- (j) closing statement in form and content satisfactory to City and Seller; and
- (k) the duly executed certificate regarding the continued accuracy of Seller's representations and warranties as required by Subsection 5.1(e) hereof.

**6.4 City's Delivery of Documents and Funds**

At or before the Closing, City shall deliver to Seller through escrow the following:

- (a) an acceptance of the Deed executed by City's Director of Property;
- (b) four (4) duly executed and acknowledged counterparts of the Assignment of Leases;
- (c) four (4) duly executed counterparts of the Assignment of Intangible Property;
- (d) a closing statement in form and content satisfactory to City and Seller; and

(e) the Purchase Price, as provided in Article 2 hereof.

## 6.5 Other Documents

Seller and City shall each deposit such other instruments as are reasonably required by Title Company as escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof, including, without limitation, an agreement (the "Designation Agreement") designating Title Company as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder, and executed by Seller, City and Title Company. The Designation Agreement shall be substantially in the form attached hereto as Exhibit F and, in any event, shall comply with the requirements of Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder.

## 7. EXPENSES AND TAXES

### 7.1 Apportionments

(a) The following are to be apportioned through escrow as of the Closing Date:

#### (b) Rent

Rent under the Leases shall be apportioned as of the Closing Date, regardless of whether or not such rent has been paid to Seller. With respect to any rent arrearage arising under the Leases, after the Closing, City shall pay to Seller any rent actually collected which is applicable to the period preceding the Closing Date; provided, however, that all rent collected by City shall be applied first to all unpaid rent accruing on and after the Closing Date, and then to unpaid rent accruing prior to the Closing Date. City shall not be obligated to take any steps to recover any rent arrearage, and Seller shall not be permitted to do so.

#### (c) Leasing Costs

Seller shall pay all leasing commissions and tenant improvement costs accrued in connection with any Lease executed on or before the Closing. City shall be entitled to a credit against the Purchase Price for the total sum of all security deposits paid to Seller by tenants under any Leases, and any interest earned thereon, as well as for any free rent, operating expense abatements, or other unexpired concessions under any Leases to the extent they apply to any period after the Closing.

#### (d) Other Tenant Charges

Where the Leases contain tenant obligations for taxes, common area expenses, operating expenses or additional charges of any other nature, and where Seller shall have collected any portion thereof in excess of amounts owed by Seller for such items for the period prior to the Closing Date, there shall be an adjustment and credit given to City on the Closing Date for such excess amounts collected. City shall apply all such excess amounts to the charges owed by City for such items for the period after the Closing Date and, if required by the Leases, shall rebate or credit tenants with any remainder. If it is determined that the amount collected during Seller's ownership period exceeded expenses incurred during the same period by more than the amount previously credited to City at Closing, then Seller shall promptly pay the deficiency to City.

**(e) Utility Charges**

Seller shall cause all the utility meters to be read on the Closing Date, and will be responsible for the cost of all utilities used prior to the Closing Date. All utility deposits paid by Seller shall remain the property of Seller and City shall reasonably cooperate to cause such deposits to be returned to Seller to the extent Seller is entitled thereto.

**(f) Other Apportionments**

Annual or periodic permit or inspection fees (calculated on the basis of the period covered), and liability for other normal Property operation and maintenance expenses and other recurring costs shall be apportioned as of the Closing Date.

**7.2 Closing Costs**

Seller shall pay the cost of the Survey, the premium for the Title Policy and the cost of the endorsements thereto, and escrow and recording fees. Seller shall pay the cost of any transfer taxes applicable to the sale. Seller shall be responsible for all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section or elsewhere in this Agreement shall be allocated in accordance with the closing customs for San Francisco County, as determined by Title Company.

**7.3 Real Estate Taxes and Special Assessments**

General real estate taxes payable for the tax year prior to year of Closing and all prior years shall be paid by Seller at or before the Closing. General real estate taxes payable for the tax year of the Closing shall be prorated through escrow by Seller and City as of the Closing Date. At or before the Closing, Seller shall pay the full amount of any special assessments against the Property, including, without limitation, interest payable thereon, applicable to the period prior the Closing Date.

**7.4 Preliminary Closing Adjustment**

Seller and City shall jointly prepare a preliminary Closing adjustment on the basis of the Leases and other sources of income and expenses, and shall deliver such computation to Title Company prior to Closing.

**7.5 Survival**

The provisions of this Section shall survive the Closing.

**8. REPRESENTATIONS AND WARRANTIES**

**8.1 Representations and Warranties of Seller**

Seller represents and warrants to and covenants with City as follows:

(a) To the best of Seller's actual knowledge, there are now, and at the time of the Closing will be, no material physical or mechanical defects of the Property, and no violations of any laws, rules or regulations applicable to the Property.

(b) The Leases, Documents and Other Information furnished to City are all of the relevant documents and information pertaining to the condition and operation of the Property to

the extent available to Seller, and are and at the time of Closing will be true, correct and complete copies of such documents and the Leases are and at the time of Closing to the best of Seller's actual knowledge will be in full force and effect, without default by (or notice of default to) any party.

(c) No document or instrument furnished or to be furnished by the Seller to the City in connection with this Agreement contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

(d) Seller does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than City, which could detrimentally affect the use, operation or value of the Property.

(e) To Seller's actual knowledge, all water, sewer, gas, electric, telephone, and drainage facilities and all other utilities required by law or by the current use and operation of the Property are and at the time of Closing will be installed to the property lines of the Property and are and at the time of Closing will be adequate to service the current use of the Property.

(f) To Seller's actual knowledge, there are no easements or rights of way which have been acquired by prescription or which are otherwise not of record with respect to the Property, and there are no easements, rights of way, permits, licenses or other forms of agreement which afford third parties the right to traverse any portion of the Property to gain access to other real property. To Seller's actual knowledge, there are no disputes with regard to the location of any fence or other monument of the Property's boundary nor any claims or actions involving the location of any fence or boundary.

(g) There is no litigation pending or, after due and diligent inquiry, to the best of Seller's knowledge, threatened, against Seller or any basis therefor that arises out of the ownership of the Property or that might detrimentally affect the use or operation of the Property for its intended purpose or the value of the Property or the ability of Seller to perform its obligations under this Agreement.

(h) Seller is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, Seller has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Property.

(i) Seller is a limited liability company duly organized and validly existing under the laws of the State of California and is in good standing under the laws of the State of California; this Agreement and all documents executed by Seller which are to be delivered to City at the Closing are, or at the Closing will be, duly authorized, executed and delivered by Seller, are, or at the Closing will be, legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

(j) Seller represents and warrants to City that it has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state or local governmental agency. In the event Seller has been so suspended, disbarred, disciplined or prohibited from contracting with any governmental agency, it shall immediately notify the City of same and the reasons therefore together with any relevant facts or information requested by City. Any such suspension, debarment, discipline or prohibition may result in the termination or suspension of this Agreement.

(k) Seller knows of no facts nor has Seller failed to disclose any fact not otherwise known to City's Director of Property that would prevent City from using and operating the Property after Closing as affordable housing.

(l) Seller hereby represents and warrants to and covenants with City that the following statements are true and correct and will be true and correct as of the Closing Date: (i) to Seller's actual knowledge the Property is in violation of any Environmental Laws; (ii) to Seller's actual knowledge, the Property is not now, nor to the best of Seller's actual knowledge has it ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material; (iii) to Seller's actual knowledge, there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the Property; (iv) to Seller's actual knowledge, there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the Property, or if there have been or are any such tanks or wells located on the Property, their location, type, age and content has been specifically identified in Seller's Environmental Disclosure, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release or threatened release of any Hazardous Material into the environment; (v) to Seller's actual knowledge, the Property does not consist of any landfill or of any building materials that contain Hazardous Material; and (vi) to Seller's actual knowledge, the Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material, and to Seller's actual knowledge there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the Property, or the migration of Hazardous Material from or to other property. As used herein, the following terms shall have the meanings below:

(i) "Environmental Laws" shall mean any present or future federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including, without limitation, their use, handling, transportation, production, disposal, discharge or storage) or to health and safety, industrial hygiene or environmental conditions in, on, under or about the Property, including, without limitation, soil, air and groundwater conditions.

(ii) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Improvements, if any, or are naturally occurring substances on or about the Property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

(iii) "Release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any of the improvements, or in, on, under or about the Property. Release shall include, without limitation, "release" as defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601).

(m) There are now, and at the time of Closing will be, no leases or other occupancy agreements affecting any of the Property other than the Leases. At the time of Closing there will be no outstanding written or oral contracts made by Seller for any improvements that have not been fully paid for and Seller shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to the Property prior to the time of Closing. There are no obligations in connection with the Property that will be binding upon City after Closing except for the matters which are set forth in the Preliminary Report and except for the Leases.

(n) Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code.

(o) the representations and warranties set forth in that certain Real Estate Purchase Agreement and Escrow Instructions (the "Jones Development PSA") between Seller and Jones Development, LLC, a California limited liability company ("Jones Development"), whereby Seller purchased the Property, have been assigned to Seller and are enforceable against Jones Development Project, LLC, a California limited liability company by the City from and after the Closing Date as if such representations and warranties were made directly to City..

(p) There are no free rent, operating expense abatements, incomplete tenant improvements, rebates, allowances, or other unexpired concessions (collectively referred to as "Offsets") or any termination, extension, cancellation or expansion rights under any existing or pending Leases (with the exception of those summarized in Schedule 2 attached hereto); and all of the Leases are absolutely net (including the full pass-through of management fees). Seller has paid in full any of landlord's leasing costs incurred by Seller in connection with any tenant improvements.

(q) No brokerage or similar fee is due or unpaid by Seller with respect to any Lease. No brokerage or similar fee shall be due or payable on account of the exercise of, without limitation, any renewal, extension or expansion options arising under any Leases.

(r) The copies of the Leases delivered by Seller to City contain all of the information pertaining to any rights of any parties to occupy the Property, including, without limitation, all information regarding any rent concessions, over-standard tenant improvement allowances or other inducements to lease. None of the tenants of the Property has indicated to Seller either orally or in writing its intent to terminate its respective Lease prior to expiration of the respective term of such Lease.

## **8.2 Indemnity**

Seller, on behalf of itself and its successors and assigns, hereby agrees to indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and against any and all liabilities, claims, demands, damages, liens, costs, penalties, losses and expenses, including, without limitation, reasonable attorneys' and consultants' fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by Seller in this Agreement or in any document, certificate, or exhibit given or delivered to City pursuant to or in connection with this Agreement. The foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. The indemnification provisions of this Section shall survive beyond the Closing, or, if title is not transferred pursuant to this Agreement, beyond any termination of this Agreement.

**9. RISK OF LOSS AND POSSESSION**

**9.1 Risk of Loss**

If any of the Property is damaged or destroyed prior to the Closing Date, or if condemnation proceedings are commenced against any of the Property, then the rights and obligations of Seller and City hereunder shall be as follows:

(a) If such damage or destruction diminishes the value of the Property by less than Ten Thousand Dollars (\$10,000.00) (the "Threshold Damage Amount"), then this Agreement shall remain in full force and effect and City shall acquire the Property upon the terms and conditions set forth herein.

(b) If the diminution in value would equal or exceed the Threshold Damage Amount, or if condemnation proceedings are commenced against any of the Property, then, City shall have the right, at its election, either to terminate this Agreement in its entirety, or to not terminate this Agreement and purchase the Property. City shall have thirty (30) days after Seller notifies City that an event described in this Subsection (b) has occurred to make such election by delivery to Seller of an election notice. City's failure to deliver such notice within such thirty (30)-day period shall be deemed City's election to terminate this Agreement in its entirety. If this Agreement is terminated in its entirety or in part pursuant to this Subsection (b) by City's delivery of notice of termination to Seller, then City and Seller shall each be released from all obligations hereunder pertaining to that portion of the Property affected by such termination.

**9.2 Possession**

Possession of the Property shall be delivered to City on the Closing Date.

**10. AS IS PURCHASE**

**BUYER HEREBY ACKNOWLEDGES, REPRESENTS, WARRANTS, COVENANTS, AND AGREES THAT AS A MATERIAL INDUCEMENT TO SELLER TO EXECUTE AND ACCEPT THIS AGREEMENT AND IN CONSIDERATION OF THE PERFORMANCE BY SELLER OF ITS DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT, THE SALE OF THE PROPERTY HEREUNDER IS AND WILL BE MADE ON AN "AS IS, WHERE IS" BASIS EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT INCLUDING WITHOUT LIMITATION SECTION 8 HEREOF, AND THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT AND SECTION 8, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, FUTURE OR OTHERWISE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY, INCLUDING, WITHOUT LIMITATION: (1) THE EXISTENCE OF HAZARDOUS MATERIALS OR MOLD UPON THE PROPERTY OR ANY PORTION THEREOF; (2) GEOLOGICAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUBSIDENCE, SUBSURFACE CONDITIONS, WATER TABLE, UNDERGROUND WATER RESERVOIRS, LIMITATIONS REGARDING THE WITHDRAWAL OF WATER AND FAULTING; (3) WHETHER OR NOT AND TO THE EXTENT TO WHICH THE PROPERTY OR ANY PORTION THEREOF IS AFFECTED BY ANY STREAM (SURFACE OR UNDERGROUND), BODY OF WATER, FLOOD PRONE AREA, FLOOD PLAIN, FLOODWAY OR SPECIAL FLOOD**

HAZARD; (4) DRAINAGE; (5) SOIL CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, OR SUSCEPTIBILITY TO LANDSLIDES, OR THE SUFFICIENCY OF ANY UNDERSHORING; (6) USAGES OF ADJOINING PROPERTIES; (7) THE VALUE, COMPLIANCE WITH THE PLANS AND SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, DURABILITY, STRUCTURAL INTEGRITY, OPERATION, TITLE TO, OR PHYSICAL OR FINANCIAL CONDITION OF THE PROPERTY OR ANY PORTION THEREOF, OR ANY RIGHTS OR CLAIMS ON OR AFFECTING OR PERTAINING TO THE PROPERTY OR ANY PART THEREOF INCLUDING, WITHOUT LIMITATION, WHETHER OR NOT THE IMPROVEMENTS COMPLY WITH THE REQUIREMENTS OF TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, 42 U.S.C. §§ 12181-12183, 12186(B) - 12189 AND RELATED REGULATIONS; (8) THE PRESENCE OF HAZARDOUS MATERIALS IN OR ON, UNDER OR IN THE VICINITY OF THE PROPERTY; (9) THE SQUARE FOOTAGE OF THE LAND OR THE IMPROVEMENTS; (10) IMPROVEMENTS AND INFRASTRUCTURE, IF ANY; (11) DEVELOPMENT RIGHTS AND EXTRACTATIONS; (12) WATER OR WATER RIGHTS; (13) THE DEVELOPMENT POTENTIAL FOR THE PROPERTY; (14) THE ABILITY OF BUYER TO REZONE THE PROPERTY OR CHANGE THE USE OF THE PROPERTY; (15) THE ABILITY OF BUYER TO ACQUIRE ADJACENT PROPERTIES; (16) THE EXISTENCE AND POSSIBLE LOCATION OF ANY UNDERGROUND UTILITIES; (17) THE EXISTENCE AND POSSIBLE LOCATION OF ANY ENCROACHMENTS; (18) WHETHER THE IMPROVEMENTS WERE BUILT, IN WHOLE OR IN PART, IN COMPLIANCE WITH APPLICABLE BUILDING CODES; (19) THE STATUS OF ANY LIFE-SAFETY SYSTEMS IN THE IMPROVEMENTS; (20) THE CHARACTER OF THE NEIGHBORHOOD IN WHICH THE PROPERTY IS SITUATED; (21) THE CONDITION OR USE OF THE PROPERTY OR COMPLIANCE OF THE PROPERTY WITH ANY OR ALL PAST, PRESENT OR FUTURE FEDERAL, STATE, OR LOCAL ORDINANCES, RULES, REGULATIONS OR LAWS, BUILDING, FIRE OR ZONING ORDINANCES, CODES OR OTHER SIMILAR LAWS; AND(OR) (22) THE MERCHANTABILITY OF THE PROPERTY OR FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSE (BUYER AFFIRMING THAT BUYER HAS NOT RELIED ON SELLER'S SKILL OR JUDGMENT TO SELECT OR FURNISH THE PROPERTY FOR ANY PARTICULAR PURPOSE, AND THAT SELLER MAKES NO WARRANTY THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE).

BUYER ACKNOWLEDGES THAT AS OF THE CLOSING DATE, BUYER SHALL HAVE COMPLETED ALL PHYSICAL AND FINANCIAL EXAMINATIONS RELATING TO THE ACQUISITION OF THE PROPERTY HEREUNDER AND WILL ACQUIRE THE SAME SOLELY ON THE BASIS OF SUCH EXAMINATIONS AND THE TITLE INSURANCE PROTECTION FOR THE PROPERTY AFFORDED BY BUYER'S TITLE POLICY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER EXCEPT FOR REPRESENTATIONS AND WARRANTIES AND INDEMNITIES OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES



AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION EXCEPT FOR REPRESENTATIONS AND WARRANTIES AND INDEMNITIES OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8. SELLER SHALL NOT BE LIABLE FOR ANY NEGLIGENT MISREPRESENTATION OR ANY FAILURE TO INVESTIGATE THE PROPERTY NOR SHALL SELLER BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY SELLER, OR BY ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, EMPLOYEE, SERVANT OR OTHER PERSON ACTING ON SELLER'S BEHALF EXCEPT FOR REPRESENTATIONS AND WARRANTIES AND INDEMNITIES EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8. IT IS ACKNOWLEDGED AND AGREED THAT THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY BUYER SUBJECT TO THE FOREGOING.

THE CLOSING OF THE PURCHASE OF THE PROPERTY BY BUYER HEREUNDER SHALL BE CONCLUSIVE EVIDENCE THAT: (A) BUYER HAS FULLY AND COMPLETELY INSPECTED (OR HAS CAUSED TO BE FULLY AND COMPLETELY INSPECTED) THE PROPERTY; (B) BUYER ACCEPTS THE PROPERTY AS BEING IN GOOD AND SATISFACTORY CONDITION AND SUITABLE FOR BUYER'S PURPOSES; AND (C) THE PROPERTY FULLY COMPLIES WITH SELLER'S COVENANTS AND OBLIGATIONS HEREUNDER, EXCEPT FOR ANY BREACH OF REPRESENTATIONS AND WARRANTIES AND INDEMNITIES EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR RELIANCE ON REPRESENTATIONS AND WARRANTIES AND INDEMNITIES EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8, BUYER SHALL PERFORM AND RELY SOLELY UPON ITS OWN INVESTIGATION CONCERNING ITS INTENDED USE OF THE PROPERTY, AND THE PROPERTY'S FITNESS THEREFOR. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT SELLER'S COOPERATION WITH BUYER WHETHER BY PROVIDING THE PROPERTY DOCUMENTS OR PERMITTING INSPECTION OF THE PROPERTY, SHALL NOT BE CONSTRUED AS ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF ANY KIND WITH RESPECT TO THE PROPERTY, OR WITH RESPECT TO THE ACCURACY, COMPLETENESS, OR RELEVANCE OF THE DUE DILIGENCE DOCUMENTS, PROVIDED THAT THE FOREGOING SHALL NOT BE A LIMITATION OR MODIFICATION OF THE REPRESENTATIONS AND WARRANTIES AND INDEMNITIES EXPRESSLY PROVIDED IN THIS AGREEMENT INCLUDING SECTION 8.

---

SELLER'S INITIALS

---

BUYER'S INITIALS

**Release and § 1542 Waiver.** Except for Claims (as defined below) for Seller's breach of representations and warranties of Seller provided in this Agreement including Section 8 and any indemnity-related obligations set forth in Section 8, below, Buyer for itself and on behalf of each of its successors and assigns (collectively, the "Releasors") by this general release of known and unknown claims (this "Release") hereby irrevocably and unconditionally release and forever discharge Seller and each Seller's successors, assigns, officers, directors, shareholders, participants, members, partners, trustees, affiliates, and employees, and Seller's contractors, and their principals and employees (collectively, the "Releasees") or any of them, from and against any and all Claims of any kind or nature whatsoever, **WHETHER KNOWN OR UNKNOWN**, suspected or unsuspected, fixed or contingent, liquidated or unliquidated which any of the Releasors now have, own, hold, or claim to have had, owned, or held, against any of the Releasees arising from, based upon or related to, whether directly or indirectly any facts, matters, circumstances, conditions or defects (whether patent or latent) of all or any kinds, related to, arising from, or based upon, whether directly or indirectly, the Property, including without limitation, (i) the physical condition, quality and state of repair of the Property conveyed; (ii) any latent or patent defect affecting the Property conveyed, and (iii) the presence of Hazardous Materials in, on, about or under the Property or which have migrated from adjacent lands to the Property or from the Property to adjacent lands. The foregoing Release shall be effective as of the Closing as to the Property.

Except for Claims for Seller's breach of representations and warranties of Seller provided in this Agreement including Section 8, Releasors hereby further agree as follows:

Releasors acknowledge that there is a risk that subsequent to the execution of the Release set forth herein, Releasors may discover, incur, or suffer from Claims which were unknown or unanticipated at the time this Release is executed, including, without limitation, unknown or unanticipated Claims which, if known by Releasors on the date this Release is being executed, may have materially affected Releasors' decision to execute this Release. Releasors acknowledge that Releasors are assuming the risk of such unknown and unanticipated Claims and agree that this Release applies thereto. Releasors expressly waive the benefits of Section 1542 of the California Civil Code, which reads as follows:

"A general release does not extend to claims which the creditor does, not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Releasors represent and warrant that Releasors have been represented by independent counsel of Releasors' own choosing in connection with the preparation and review of the Release set forth herein, that Releasors have specifically discussed with such counsel the meaning and effect of this Release and that Releasors have carefully read and understand the scope and effect of each provision contained herein. Excepting the express representations and warranties of Seller in this Agreement, Releasors further represent and warrant that Releasors do not rely and have not relied upon any representation or statement made by any of the Releasees or any of their representatives, agents, employees, attorneys, or officers with regard to the subject matter, basis, or effect of this Release.

SELLER'S INITIALS

BUYER'S INITIALS

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, BUYER ACKNOWLEDGES, REPRESENTS, WARRANTS, COVENANTS, AND AGREES THAT IT IS THE EXPRESS INTENTION OF SELLER AND BUYER THAT SELLER AND THE SELLER PARTIES ARE FULLY RELEASED BY BUYER FOR ANY CLAIMS ARISING OUT OF THE PROPERTY AS EXPRESSLY DESCRIBED ABOVE AND SHALL HAVE NO LIABILITY THEREFOR EXCEPT AS EXPRESSLY PROVIDED ABOVE.

11. MAINTENANCE; CONSENT TO NEW CONTRACTS

11.1 Maintenance of the Property by Seller

Between the date of Seller's execution of this Agreement and the Closing, Seller shall maintain the Property in good order, condition and repair, reasonable wear and tear excepted, and shall otherwise operate the Property in the same manner as before the making of this Agreement, as if Seller were retaining the Property.

11.2 City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts

After the date the Director of Property submits legislation for approval by City's Board of Supervisors of this Agreement, Seller shall not enter into any Lease or contract without in each instance obtaining City's prior written consent thereto, in City's sole discretion.

12. GENERAL PROVISIONS

12.1 Notices

Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be given by (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) United States registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

City:

Real Estate Division  
City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102  
Attn: Director of Property  
Facsimile No.: (415) 552-9216

with copy to:

Deputy City Attorney  
Office of the City Attorney  
City Hall, Room 234  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102-4682  
Attn: Real Estate & Finance Team  
Facsimile No.: (415) 554-4757

Seller:

MM 180 Jones LLC  
500 Sansome Street, Suite 750

San Francisco, CA 94111  
Attn: Joy Ou  
Facsimile No.: (415) 394-6095

With a copy to:

Thompson, Welch, Soroko & Gilbert LLP  
450 Pacific Street, Suite 200  
San Francisco, CA 94121  
Attn: Charles M. Thompson  
Facsimile No.: (415) 262-1212

or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above. A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. For convenience of the parties, copies of notices may also be given by telefacsimile, to the telephone number listed above, or such other numbers as may be provided from time to time. However, neither party may give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a telefacsimile copy of the notice.

### **12.2 Brokers and Finders**

Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section shall survive the Closing.

### **12.3 Successors and Assigns**

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

### **12.4 Amendments**

Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by City and Seller.

### **12.5 Continuation and Survival of Representations and Warranties**

All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and shall remain, true and correct as of the Closing, shall be deemed to be material, and, together with all conditions, covenants and indemnities made by the respective parties contained herein or made in writing pursuant to this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement), shall survive the execution and delivery of this Agreement and the Closing, or, to the extent the context requires, beyond any termination of this Agreement for one (1) year following the earlier of the Closing or the termination of this Agreement. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Seller in conjunction with the transaction contemplated hereby shall constitute representations and warranties hereunder.

## **12.6 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

## **12.7 Merger of Prior Agreements**

The parties intend that this Agreement (including all of the attached exhibits and schedules, which are incorporated into this Agreement by reference) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, term sheets and prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

## **12.8 Parties and Their Agents; Approvals**

The term "Seller" as used herein shall include the plural as well as the singular. If there is more than one (1) Seller, then the obligations under this Agreement imposed on Seller shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through City's Director of Property unless otherwise provided herein, subject to applicable law.

## **12.9 Interpretation of Agreement**

The article, section and other headings of this Agreement and the table of contents are for convenience of reference only and shall not affect the meaning or interpretation of any provision contained herein. Whenever the context so requires, the use of the singular shall be deemed to include the plural and vice versa, and each gender reference shall be deemed to include the other and the neuter. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented or had the opportunity to be represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

## **12.10 Attorneys' Fees**

In the event that either party hereto fails to perform any of its obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting party or the non-prevailing party in such dispute, as the case may be, shall pay the prevailing party reasonable attorneys' and experts' fees and costs, and all court costs and other costs of action incurred by the prevailing party in connection with the prosecution or defense of such action and enforcing or establishing its rights hereunder (whether or not such action is prosecuted to a judgment). For purposes of this Agreement, reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. The term "attorneys' fees" shall also include, without limitation, all such fees incurred with respect to appeals, mediations, arbitrations, and

bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees were incurred. The term "costs" shall mean the costs and expenses of counsel to the parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, and others not admitted to the bar but performing services under the supervision of an attorney.

#### **12.11 Sunshine Ordinance**

Seller understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov. Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder public records subject to public disclosure. Seller hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

#### **12.12 Conflicts of Interest**

Through its execution of this Agreement, Seller acknowledges that it is familiar with the provisions of Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts that would constitute a violation of those provisions, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller shall immediately notify the City.

#### **12.13 Notification of Limitations on Contributions**

Through its execution of this Agreement, Seller acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Seller acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Seller further acknowledges that the prohibition on contributions applies to each Seller; each member of Seller's board of directors, and Seller's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Seller; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Seller. Additionally, Seller acknowledges that Seller must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Seller further agrees to provide to City the names of each person, entity or committee described above.

#### **12.14 Non-Liability of City Officials, Employees and Agents**

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Seller, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Seller, its successors and assigns, or for any obligation of City under this Agreement.

**12.15 Counterparts**

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

**12.16 Effective Date**

As used herein, the term "Effective Date" shall mean the date on which the City's Board of Supervisors and Mayor enact a resolution approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

**12.17 Severability**

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

**12.18 Acceptance of Agreement by Seller**

This Agreement shall be null and void unless Seller accepts it and returns to City four (4) fully executed counterparts hereof on or before 5:00 p.m. San Francisco Time on November 14, 2016.

**12.19 Cooperative Drafting.**

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE LEGISLATION OF CITY'S BOARD OF SUPERVISORS SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION, AND THIS AGREEMENT SHALL BE NULL AND VOID IF CITY'S BOARD OF SUPERVISORS AND MAYOR DO NOT APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY

*[SIGNATURES ON FOLLOWING PAGES]*

The parties have duly executed this Agreement as of the respective dates written below.

SELLER:

MM 180 JONES LLC,  
a California limited liability company

By: Ou Interests, Inc.,  
a California corporation d/b/a Group I

Its: Manager

By: \_\_\_\_\_  
Joy Ou, President

Date: \_\_\_\_\_

CITY:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
JOHN UPDIKE  
Director of Property

Date: \_\_\_\_\_

RECOMMENDED:

MAYOR'S OFFICE OF HOUSING AND  
COMMUNITY DEVELOPMENT

By: \_\_\_\_\_  
Olson Lee, Director

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Elizabeth A. Dietrich  
Deputy City Attorney



**DRAFT**

Title Company agrees to act as escrow holder in accordance with the terms of this Agreement and to execute the Designation Agreement (attached hereto as Exhibit D) and act as the Reporting Person (as such term is defined in the Designation Agreement). Title Company's failure to execute below shall not invalidate the Agreement between City and Seller.

TITLE COMPANY:

FIDELITY NATIONAL TITLE COMPANY

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

All that certain real property located in the County of San Francisco, State of California, described as follows:

**[LEGAL DESCRIPTION TO COME FROM PRELIMINARY REPORT]**

**EXHIBIT B**

**GRANT DEED**

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Director of Property  
Real Estate Division  
City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102

The undersigned hereby declares this instrument to be  
exempt from Recording Fees (CA Govt. Code § 27383)  
and Documentary Transfer Tax (CA Rev. & Tax Code  
§ 11922 and S.F. Bus. & Tax Reg. Code § 1105)

(Space above this line reserved for Recorder's use only)

**GRANT DEED**

(Assessor's Parcel No. \_\_\_\_\_)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, MM 180 JONES LLC, a California limited liability company, hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the real property located in the City and County of San Francisco, State of California, described on Exhibit A attached hereto and made a part hereof (the "Property").

TOGETHER WITH any and all rights, privileges and easements incidental or appurtenant to the Property, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Property, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Property, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land and all of Grantor's right, title and interest in and to any and all roads and alleys adjoining or servicing the Property.

*[SIGNATURES ON FOLLOWING PAGE]*

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

GRANTOR:

MM 180 JONES LLC,  
a California limited liability company

By: Ou Interests, Inc.,  
a California corporation d/b/a Group I

Its: Manager

By: \_\_\_\_\_  
Joy Ou, President

Date: \_\_\_\_\_

**A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.**

State of California            )  
  ) ss  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a notary public in and for said State, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by this deed dated \_\_\_\_\_ from the first part to the City and County of San Francisco, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7 1957, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
JOHN UPDIKE  
Director of Property

**EXHIBIT C**

**ASSIGNMENT OF  
WARRANTIES AND GUARANTIES  
AND OTHER INTANGIBLE PROPERTY**

THIS ASSIGNMENT is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ ("Assignor"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Assignee").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Effective Date (as defined below), Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under:

- A. all warranties and guaranties made by or received from any third party with respect to any fixture, equipment, or material situated on, contained in, or comprising a part of any improvement situated on, or any part of that certain real property described in Exhibit A attached hereto;
- B. any other Intangible Property (as defined in that certain Agreement of Purchase and Sale of Real Estate dated as of \_\_\_\_\_, 20\_\_\_\_, between Assignor and Assignee (the "Purchase Agreement").

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

- 1. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, attorneys' fees.
- 2. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
- 3. This Assignment shall be governed by and construed in accordance with the laws of the State of California.
- 4. For purposes of this Assignment, the "Effective Date" shall be the date of the Closing (as defined in the Purchase Agreement).
- 5. This Assignment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

*[SIGNATURES ON FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first written above.

ASSIGNOR:

a \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
John Updike  
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
[DEPUTY'S NAME]  
Deputy City Attorney



**EXHIBIT D**

**ASSIGNMENT OF LEASES**

THIS ASSIGNMENT is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, a \_\_\_\_\_ ("Assignor"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Assignee").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Effective Date (as defined below), Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under certain leases executed with respect to that certain real property commonly known as \_\_\_\_\_ (the "Property") as more fully described in Schedule 1 attached hereto (collectively, the "Leases").

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

1. Assignor represents and warrants that as of the date of this Assignment and the Effective Date the attached Schedule 1 includes all of the Leases and occupancy agreements affecting any of the Property. As of the date hereof and the Effective Date, there are no assignments of or agreements to assign the Leases to any other party.
2. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating prior to the Effective Date (as defined below) and arising out of the landlord's obligations under the Leases.
3. Except as otherwise set forth in the Purchase Agreement (as defined below), effective as of the Effective Date (as defined below), Assignee hereby assumes all of the landlord's obligations under the Leases and agrees to indemnify Assignor against and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating on or subsequent to the Effective Date (as defined below) and arising out of the landlord's obligations under the Leases.
4. Any rental and other payments under the Leases shall be prorated between the parties as provided in the Purchase Agreement between Assignor, as Seller, and Assignee, as City, dated as of \_\_\_\_\_ (the "Purchase Agreement").
5. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, attorneys' fees.
6. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
7. This Assignment shall be governed by and construed in accordance with the laws of the State of California.
8. For purposes of this Assignment, the "Effective Date" shall be the date of the Closing (as defined in the Purchase Agreement).

9. This Assignment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Assignor and Assignee have executed this Assignment as of the day and year first written above.

ASSIGNOR:

a \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
JOHN UPDIKE  
Director of Property

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
[DEPUTY'S NAME]  
Deputy City Attorney

**EXHIBIT E**

**CERTIFICATE OF TRANSFEROR  
OTHER THAN AN INDIVIDUAL  
(FIRPTA Affidavit)**

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the transferee of certain real property located in the City and County of San Francisco, California, that withholding of tax is not required upon the disposition of such U.S. real property interest by \_\_\_\_\_

\_\_\_\_\_, a \_\_\_\_\_ ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

- 1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
- 2. Transferor's U.S. employer identification number is \_\_\_\_\_; and
- 3. Transferor's office address is \_\_\_\_\_

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated: \_\_\_\_\_, 20\_\_.

On behalf of:

\_\_\_\_\_  
[NAME]  
a \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

**EXHIBIT G**

**TENANT'S ESTOPPEL CERTIFICATE**

DATE: \_\_\_\_\_

TENANT: \_\_\_\_\_  
\_\_\_\_\_

PREMISES: \_\_\_\_\_  
\_\_\_\_\_

LEASE DATE: \_\_\_\_\_

COMMENCEMENT DATE: \_\_\_\_\_

EXPIRATION DATE: \_\_\_\_\_

TERM IN MONTHS: \_\_\_\_\_

DATE RENT AND OPERATING EXPENSE  
PARKING: \_\_\_\_\_

PAYMENTS ARE DUE: \_\_\_\_\_

OPTIONS: Check if you have any of these  
options or rights, and provide details in  
Sections 5 or 9 below.

\_\_\_\_\_ Extension Option

\_\_\_\_\_ Termination Option

\_\_\_\_\_ Expansion Option

\_\_\_\_\_ Purchase Option

CURRENT MONTHLY PAYMENTS: \_\_\_\_\_

BASE RENTAL: \_\_\_\_\_

TAXES: \_\_\_\_\_

OP. EXP. CAP: \_\_\_\_\_

\_\_\_\_\_ Check here if you have rental escalations and provide details in Section 6 below:

SECURITY DEPOSIT: \_\_\_\_\_

THE UNDERSIGNED, AS TENANT OF THE ABOVE REFERENCED PREMISES  
("PREMISES") UNDER THE LEASE DATED AS OF THE ABOVE-REFERENCED LEASE  
DATE, BETWEEN \_\_\_\_\_  
("LANDLORD") AND TENANT, HEREBY CERTIFIES, REPRESENTS AND WARRANTS

TO THE CITY AND COUNTY OF SAN FRANCISCO ("CITY"), AND ITS ASSIGNEES, AS FOLLOWS:

1. Accuracy. All of the information specified above and elsewhere in this Certificate is accurate as of the date hereof.
2. Lease. The copy of the Lease attached hereto as Exhibit A is a true and correct copy of the Lease. The Lease is valid and in full force and effect. The Lease contains all of the understandings and agreements between Landlord and Tenant and has not been amended, supplemented or changed by letter agreement or otherwise, except as follows (if none, indicate so by writing "NONE" below):
3. Premises. The Premises consist of \_\_\_\_\_, and Tenant does not have any options to expand the Premises except as follows (if none, indicate so by writing "NONE" below):
4. Acceptance of Premises. Tenant has accepted possession of the Premises and is currently occupying the Premises. There are no unreimbursed expenses due Tenant including, but not limited to, capital expense reimbursements.
5. Lease Term. The term of the Lease commenced and will expire on the dates specified above, subject to the following options to renew or rights to terminate the Lease (if none, indicate so by writing "NONE" below):
6. Rental Escalations. The current monthly base rental specified above is subject to the following escalation adjustments (if none, indicate so by writing "NONE" below):
7. No Defaults/Claims. Neither Tenant nor Landlord under the Lease is in default under any terms of the Lease nor has any event occurred which with the passage of time (after notice, if any, required under the Lease) would become an event of default under the Lease. Tenant has no claims, counterclaims, defenses or setoffs against Landlord arising from the Lease, nor is Tenant entitled to any concession, rebate, allowance or free rent for any period after this certification. Tenant has no complaints or disputes with Landlord regarding the overall operation and maintenance of the property within which the Premises are located (the "Property"), or otherwise.
8. No Advance Payments. No rent has been paid in advance by Tenant except for the current month's rent.
9. No Purchase Rights. Tenant has no option to purchase, or right of first refusal to purchase, the Premises, the Property or any interest therein (if none, indicate so by writing "NONE" below):
10. Notification by Tenant. From the date of this Certificate and continuing until, Tenant agrees to notify City immediately of the occurrence of any event or the discovery of any fact that would make any representation contained in this Certificate inaccurate as of the date hereof or as of any future date.
11. No Sublease/Assignment. Tenant has not entered into any sublease, assignment or any other agreement transferring any of its interest in the Lease or the Premises.
12. No Notice. Tenant has not received notice of any assignment, hypothecation, mortgage, or pledge of Landlord's interest in the Lease or the rents or other payments payable thereunder, except those listed below (if none, indicate so by writing "NONE" below):

13. Hazardous Materials. Tenant has not used, treated, stored, disposed of or released any Hazardous Materials on or about the Premises or the Property. Tenant does not have any permits, registrations or identification numbers issued by the United States Environmental Protection Agency or by any state, county, municipal or administrative agencies with respect to its operation on the Premises, except for any stated below, and except as stated below no such governmental permits, registrations or identification numbers are required with respect to Tenant's operations on the Premises. For the purposes hereof, the term "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids, and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

14. Reliance. Tenant recognizes and acknowledges it is making these representations to City with the intent that City, and any of its assigns, will fully rely on Tenant's representations.

15. Binding. The provisions hereof shall be binding upon and inure to the benefit of the successors, assigns, personal representatives and heirs of Tenant and City.

16. Due Execution and Authorization. The undersigned, and the person(s) executing this Certificate on behalf of the undersigned, represent and warrant that they are duly authorized to execute this Certificate on behalf of Tenant and to bind Tenant hereto.

EXECUTED BY TENANT ON THE DATE FIRST WRITTEN ABOVE.

By:

\_\_\_\_\_  
[NAME]

\_\_\_\_\_  
[TITLE]

By:

\_\_\_\_\_  
[NAME]

\_\_\_\_\_  
[TITLE]

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.**

**Sponsor(s):**

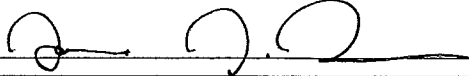
Supervisor Kim

**Subject:**

Conveyance of Real Property - 180 Jones Street, San Francisco - Mayor's Office of Housing and Community Development

**The text is listed below or attached:**

See attached.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

**FORM SFEC-126:  
NOTIFICATION OF CONTRACT APPROVAL  
(S.F. Campaign and Governmental Conduct Code § 1.126)**

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>	
Name of contractor: <b>MM 180 Jones LLC</b>	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
1) members of the board of directors: No Board of Directors (2) the chief executive officer, chief financial officer and chief operating officer: Group I is the Manager of MM 180 Jones LLC and Joy Ou is the President of Group i (3) any person who has an ownership of 20 percent or more in MM Jones LLC: Mid Market Center Holding, LLC (4) No Subcontractors associated with contract (5) any political committee sponsored or controlled by the company: None	
Contractor address: 500 Sansome St #750, San Francisco, CA 94104	
Date that contract was approved:	Amount of contract: \$1.00 nominal fee for conveyance.
Describe the nature of the contract that was approved: Conveyance of approximately 4,744 square feet of land from MM 180 Jones LLC to MOHCD	
Comments: Nominal \$1.00 fee for conveyance.	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors  
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: ( 415 ) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
Signature of City Elective Officer (if submitted by City elective officer)

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

\_\_\_\_\_  
Date Signed