

Free Recording Requested Pursuant to  
Government Code Section 27383

Recording requested by and  
when recorded mail to:  
City and County of San Francisco  
Mayor's Office of Housing  
and Community Development  
1 South Van Ness Avenue, 5th Floor  
San Francisco, California 94103

Attn: \_\_\_\_\_

APN#:

Address: 1550 Sunnysdale Avenue, San Francisco, CA 94134

-----Space Above This Line for Recorder's Use-----

**DECLARATION OF RESTRICTIONS**

1550 Sunnysdale Avenue, San Francisco

**THIS DECLARATION OF RESTRICTIONS** (this "Declaration") is made as of \_\_\_\_\_, 2022, by Mercy Housing California, a California nonprofit public benefit corporation ("Grantee"), and Sunnysdale Avenue Community Center, a California nonprofit public benefit corporation ("Lessee"), in favor of the **CITY AND COUNTY OF SAN FRANCISCO**, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development (the "City").

**RECITALS**

A. The City is making a grant (the "Grant") to Grantee to finance costs associated with the development of the leasehold interest in the real property described in **Exhibit A** (the "Property") as a community center (the "Project"). The Grant is evidenced by the Grant Agreement between the City and the Grantee dated as of \_\_\_\_\_, 2022 as it may be amended from time to time (the "Agreement"), pursuant to which the Grantee has agreed to undertake certain obligations for the benefit of the City. Definitions and rules of interpretation set forth in the Agreement apply to this Declaration.

B. Grantee does not own or operate the Project and instead has another interest in the Project satisfactory to the City, using a Federal New Markets Tax Credit structure (the "NMTC Financing Structure") as included in the Structure Chart attached to the Agreement. Grantee shall satisfy the terms and conditions of the Agreement by satisfying, or causing the satisfaction of, the Project construction, operation, reporting, and other terms and conditions of the Agreement.

C. Lessee has entered into a ground lease as "Lessee" with the Housing Authority of the City and County of San Francisco as "Lessor" dated \_\_\_\_\_, for the

Property (the “Ground Lease”) upon which the improvements for the Project shall be constructed.

## **AGREEMENT**

Now, therefore, in consideration of the City providing the Grant in accordance with the Grant Agreement, Grantee and Lessee agree as follows:

1. Lessee must comply with the following requirements (the “Regulatory Obligations”) through the term of the Ground Lease, including any extensions thereof. Specifically, Grantee and Lessee agree as follows, subject to additional terms as set forth in the Agreement.

- a. Use Requirements

Lessee agrees that subleases and sub-subleases under the Ground Lease, and as consistent with the Agreement, will only be entered into with commercial entities that support community center goals, including but not limited to: (1) youth programs; (2) early childhood education programs and outdoor space available to low-income children; (3) neighborhood space with community and multi-purpose rooms, and outdoor recreation areas available to the Sunnydale community and the Visitacion Valley neighborhood; and (4) programs that provide educational programming and community-building programs to the local community, including health and wellness services or programming and adult education and/or professional development services or programming.

- b. Monitoring and Reporting

- i. Lessee agrees to comply with monthly reporting requirements imposed by City to meet performance standards required by the Agreement, including, but not limited to any reporting requirements included under Article 4 and Article 9 of the Agreement.
- ii. This Declaration and the Regulatory Obligations constitute covenants running with the land, including the leasehold and sub-leasehold interest therein and bind successors and assigns of Grantee and Lessee and any non-grantee owner and lessee of the Property. In the event that Lessee fails to comply with the Regulatory Obligations to the City's satisfaction, in its sole discretion, within thirty (30) days of Lessee's receipt of notice from the City to so comply, or if such cure cannot reasonably be completed within such thirty (30) day period, Lessee fails to commence such cure or having commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time period thereafter, provided that such time period does not exceed any longer period of time as deemed necessary by the City in its sole discretion, then the

City at its option may exercise any rights available at equity or in law, including, without limitation, instituting an action for specific performance, except that in no event shall the City have a right of monetary recovery against Lessee. Grantee shall pay the City's costs in connection with the City's enforcement of the terms of this Declaration, including, without limitation, the City's attorneys' fees, and costs.

Grantee and Lessee have executed this Declaration as of the date first written above.

**"GRANTEE" Mercy Housing California,**  
A California nonprofit public benefit corporation

By: \_\_\_\_\_  
Ramie Dare, Vice President

**"LESSEE" Sunnydale Avenue Community Center,**  
A California nonprofit public benefit corporation

By: \_\_\_\_\_  
Ramie Dare, Vice President

[ALL SIGNATURES MUST BE NOTARIZED.]

**EXHIBIT A**

(Legal Description of the Property)

A LEASEHOLD INTEREST IN THE FOLLOWING LAND SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

Street Address: