

File No. 170602 Committee Item No. 2
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date June 12, 2017

Board of Supervisors Meeting _____ Date _____
Cmte Board

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| <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 type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | 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 checked="" 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"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | DRAFT Purchase and Sale Agrmt |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | DRAFT Remediation and Demo Funds Agrmt |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | PC Motion No. 19658 060216 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | PC Motion No. 19657 060216 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | BOS Motion M16-119 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | BOS Motion M16-120 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Referral FYI 052317 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Referral CEQA 052317 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | CEQA Determination 060117 |
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Completed by: Erica Major Date June 9, 2017
Completed by: _____ Date _____

1 [Real Property Conveyance - Land Dedication by Bryant Street Holdings LLC - 2070 Bryant
2 Street - Inclusionary Affordable Housing]

3 **Resolution approving and authorizing an agreement for the conveyance of a parcel of**
4 **real estate located at 2070 Bryant Street, consisting of approximately 19,000 square**
5 **feet of land within Assessor's Parcel Block No. 4022 in San Francisco County, to the**
6 **Mayor's Office of Housing and Community Development, pursuant to the land**
7 **dedication process permitted under Planning Code, Section 419; adopting findings**
8 **under the California Environmental Quality Act; adopting findings that the conveyance**
9 **is consistent with the General Plan, and eight priority policies of Planning Code,**
10 **Section 101.1; and authorizing the Director of Property to execute documents, make**
11 **certain modifications and take certain actions in furtherance of this Resolution, as**
12 **defined herein.**

13
14 WHEREAS, Bryant Street Holdings LLC, a Delaware limited liability company
15 ("Developer") is the owner of 2000-2070 Bryant Street, San Francisco (the "Principal Site"), on
16 which Developer intends to develop a new six-story building consisting of approximately 199
17 dwelling units, approximately 7,007 square feet of ground floor retail, approximately 12,000
18 square feet of Production, Design and Repair uses, and parking for up to 85 cars (the
19 "Project"); and

20 WHEREAS, Developer is subdividing the Principal Site to create a separate legal
21 parcel consisting of approximately 19,000 square feet of land, located at 2070 Bryant Street
22 (sometimes referred to as 681 Florida Street), San Francisco (the "Property"); and

23 WHEREAS, Developer has elected to satisfy the Inclusionary Affordable Housing
24 Program requirements under Planning Code, Sections 415 and 419 for the Principal Site by
25 dedicating the Property to the City pursuant to Planning Code, Section 419; and

1 WHEREAS, The potential environmental effects of the land dedication of the Property
2 were fully analyzed in the Community Plan Exemption, 2000-2070 Bryant Street, Case No.
3 2013.0677EE, which was adopted by the Planning Commission with approval of the Project
4 under Planning Code 329 (Large Project Authorization) Motion No. 19658, dated June 2, 2016
5 (the "CPE"), a copy of which is on file with the Clerk of the Board of Supervisors under File
6 No. 170602 and incorporated herein by reference; and

7 WHEREAS, The land dedication of the Property to the City was included in the Large
8 Project Authorization approvals, California Environmental Quality Act (CEQA) findings, and
9 Conditional Use Authorization for the Principal Site, which were considered and approved by
10 Planning Commission Motions No. 19658 and 19657 dated June 2, 2016, copies of which are
11 on file with the Clerk of the Board of Supervisors under File No. 170602 and incorporated
12 herein by reference ("Planning Approvals"); and

13 WHEREAS, The Board of Supervisors affirmed the CPE and approved the Conditional
14 Use Authorization on appeal on September 13, 2016, in its Motions Nos. M16-0119 and M16-
15 0120, respectively, copies of which are on file with the Clerk of the Board of Supervisors
16 under File No. 170602 and incorporated herein by reference; and

17 WHEREAS, As a condition to the approval of the land dedication of the Property to the
18 City, and as further described in the Planning Approvals, the Mayor's Office of Housing and
19 Community Development (MOHCD) determined that the Property is suitable for development
20 of affordable housing dwelling units as required under Planning Code, Sections 419.5(2) and
21 419.6; and

22 WHEREAS, The terms and conditions of the dedication and conveyance of the
23 Property to the City and County of San Francisco, under the jurisdiction of MOHCD, have
24 been negotiated, as further outlined in the Agreement of Purchase and Sale for Real Estate
25 by and between the Developer and City (the "Agreement"), a copy of which is on file with the

1 Clerk of the Board of Supervisors under File No. 170602 and is incorporated herein by
2 reference, pursuant to which Developer shall convey the fee title of the Property to City; and

3 WHEREAS, On March 25, 2016, the Property was appraised by a third party appraiser
4 as having a fair market value of \$21,200,000, and said appraisal was reviewed and approved
5 by the City's Director of Property; and

6 WHEREAS, The results of preliminary environmental testing on the Property
7 discovered concentrations of toxic substances in the soil exceeding State of California waste
8 criteria; and

9 WHEREAS, The Agreement provides for the Developer to: 1) partially demolish and
10 remove the existing improvements (visible and latent) on the Property, and deposit \$51,685
11 into an escrow account to be made available to City for completion of the demolition; 2)
12 deposit \$955,267 into an escrow account to be made available to City to pay for the costs of
13 transport and dispose of contaminated soil, and to install a vapor barrier membrane (the
14 "Remediation Work"), in accordance with the Remediation and Demolition Funds Agreement,
15 a copy of which is on file with the Clerk of the Board of Supervisors under File No. 170602
16 and is incorporated herein by this reference; and 3) to purchase and maintain, at its sole cost
17 and expense, a pollution insurance policy for the Property that covers the Remediation Work;
18 and

19 WHEREAS, The Planning Approvals determined that the development of the Principal
20 Site and the land dedication and conveyance of the Property to the City are consistent with
21 the General Plan and with the eight priority policies of Planning Code, Section 101.1, now,
22 therefore, be it

23 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
24 hereby adopts the findings contained in the CPE and Planning Approvals regarding CEQA,
25

1 and hereby incorporates such findings by reference as though fully set forth in this Resolution;
2 and be it

3 FURTHER RESOLVED, That the Board of Supervisors of the City and County of San
4 Francisco hereby finds that the conveyance of the Property is consistent with the General
5 Plan and with the eight priority policies of Planning Code, Section 101.1 for the same reasons
6 as set forth in the Planning Approvals, and hereby incorporates such findings by reference as
7 though fully set forth in this Resolution; and, be it

8 FURTHER RESOLVED, That in accordance with the recommendation of the Director
9 of MOHCD and Director of Property, the Board of Supervisors hereby approves the
10 conveyance of the Property to the City and County of San Francisco, under the jurisdiction of
11 MOHCD, and the transaction contemplated thereby in substantially the form of the Agreement
12 presented to the Board, and authorizes the Director of Property to execute the Agreement;
13 and, be it

14 FURTHER RESOLVED, That all actions heretofore taken by any employee or official of
15 the City with respect to this conveyance are hereby approved, confirmed and ratified; and, be
16 it

17 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
18 Property to enter into any amendments or modifications to the Agreement (including, without
19 limitation, the attached exhibits) that the Director of Property determines, in consultation with
20 the City Attorney and Director of MOHCD, are in the best interest of the City, do not otherwise
21 materially increase the obligations or liabilities of the City, are necessary or advisable to
22 effectuate the purposes of the Agreement and are in compliance with all applicable laws,
23 including City's Charter; and, be it

24 FURTHER RESOLVED, That the Director of Property is hereby authorized, in the
25 name and on behalf of the City and County of San Francisco, to accept the deed to the

1 Property from the Developer upon the closing in accordance with the terms and conditions of
2 the Agreement, to place the Property under the jurisdiction of MOHCD, and to take any and all
3 steps as the Director of Property deems necessary or appropriate in order to consummate the
4 conveyance of the Property pursuant to the Agreement, or to otherwise effectuate the purpose
5 and intent of this Resolution, such determination to be conclusively evidenced by the
6 execution and delivery by the Director of Property of any such documents; and, be it

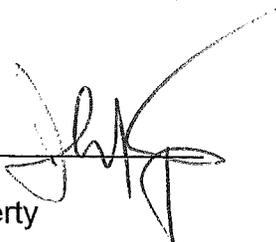
7 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed
8 by all parties, the Real Estate Division shall provide the final contract to the Clerk of the Board
9 for inclusion into the official file.

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RECOMMENDED:

REAL ESTATE DIVISION



John Updike
Director of Property

RECOMMENDED:

MAYOR'S OFFICE OF HOUSE AND COMMUNITY DEVELOPMENT



Olson Lee
Director

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

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

Contractor Information <i>(Please print clearly.)</i>
Name of contractor: Bryant Street Holdings LLC, a Delaware limited liability company
<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) Contractor has no board of directors.
(2) Bryant Street Holdings LLC is a Joint Venture between: (a) Junius Bryant Mission SPV JV LLC, a Delaware limited liability company with 95.5% ownership as its managing member. John Fraser, Alex Mitzner, Michael Lynch & Brian Thomas are authorized officers. (b) Super Deluxe With Cheese LLC a California limited liability company with 4.5% ownership as its development member. Nick Podell is President.
(3) No person has an ownership of 20% or more in the contractor.
(4) No subcontractor is listed in the bid or contract.
(5) Contractor does not control nor sponsor a political committee.
Contractor address: 22 Battery Street #404, San Francisco, CA 94957
Date that contract was approved: TBD
Amount of contract: \$0
Describe the nature of the contract that was approved: The 2070 Bryant/681 Florida Street parcel is being conveyed to the City to satisfy Inclusionary Housing Program requirements for 2000 Bryant Street, as allowed by Section 419 of the Planning Code for projects in the Eastern Neighborhoods. Under Section 419, developers may dedicate land in lieu of and sometimes in addition to providing affordable units on site, off site, or via fee payments.
Comments:

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

Filer Information <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: nicole.wheaton@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

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

May 23, 2017

File No. 170602

Lisa Gibson
Acting Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On May 16, 2017, Mayor Lee introduced the following proposed legislation:

File No. 170602

Resolution approving and authorizing an agreement for the conveyance of a parcel of real estate located at 2070 Bryant Street, consisting of approximately 19,000 square feet of land within Assessor's Parcel Block No. 4022 in San Francisco County, to the Mayor's Office of Housing and Community Development, pursuant to the land dedication process permitted under Planning Code, Section 419; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the General Plan, and eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution, as defined herein.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Jeanie Poling, Environmental Planning

CEQA covered with Community Plan Evaluation,
Planning Department Case No. 2013.0677EE,
2000-2070 Bryant Street, affirmed by the Board of
Supervisors on September 13, 2016 by Motion No.
M16-019.

Joy Navarrete

Digitally signed by Joy Navarrete
DN: cn=Joy Navarrete, o=Planning,
ou=Environmental Planning,
email=joy.navarrete@sfgov.org, c=US
Date: 2017.06.01 12:20:02 -07'00'



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414A)
- Other (EN Impact Fees, Sec 423; TSF, Sec 411A)

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No. 19658

HEARING DATE: JUNE 2, 2016

Case No.: 2013.0677X
 Project Address: 2000-2070 BRYANT STREET
 Zoning: UMU (Urban Mixed Use) Zoning District
 68-X Height and Bulk District
 Block/Lot: 4022/001, 002 and 021
 Project Sponsor: Nick Podell, Nick Podell Company
 22 Battery Street, Ste. 404
 San Francisco, CA 94111
 Staff Contact: Richard Sucre – (415) 575-9108
richard.sucre@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO 1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, 2) GROUND FLOOR CEILING HEIGHT FOR NON-RESIDENTIAL USES PURSUANT TO PLANNING CODE 145.1, 3) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152.1, 4) HORIZONTAL MASS REDUCTION PURSUANT TO PLANNING CODE SECTION 270.1 AND 5) FLEXIBLE UNITS-MODIFICATION OF THE ACCESSORY USE PROVISIONS OF PLANNING CODE SECTION 803.3(B)(1)(C) PURSUANT TO PLANNING CODE SECTIONS 329(D)(10), AND TO ALLOW CONSTRUCTION OF A NEW SIX-STORY, 68-FT TALL, MIXED-USE BUILDING (APPROXIMATELY 203,656 SQUARE FEET) WITH 199 DWELLING UNITS (CONSISTING OF 30 STUDIOS, 89 1-BEDROOM UNITS, AND 80 2-BEDROOM UNITS), UP TO 7,007 SQUARE FEET OF RETAIL/TRADE SHOP, AND 12,000 SQUARE FEET OF PDR SPACE, LOCATED AT 2000-2070 BRYANT STREET, LOTS 001, 002 AND 021 IN ASSESSOR'S BLOCK 4022, WITHIN THE UMU (URBAN MIXED-USE) ZONING DISTRICT AND A 68-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On June 12, 2014, Nick Podell and Linsey Perlov of Nick Podell Company (hereinafter "Project Sponsor") filed Application No. 2013.0677X (hereinafter "Application") with the Planning Department (hereinafter "Department") for a Large Project Authorization to construct a new six-story, 68-ft tall, mixed-use building with 199 dwelling units, 7,007 square feet of ground floor retail, and 3,938 square feet of ground floor PDR use, at 2000-2070 Bryant Street (Block 4022 Lots 001, 002 and 021) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On May 11, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department, Jonas P. Iorin, is the custodian of records, located in the File for Case No. 2013.0677X at 1650 Mission Street, Fourth Floor, San Francisco, California.

On May 19, 2016, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2013.0677X. The Commission continued the project to the June 2, 2016 Planning Commission Hearing.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2013.0677X, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed project is located on three lots (with a lot area of 65,000± square feet), which are bounded by Florida, 18th and Bryant Streets, which have approximately 325-ft of frontage along Florida Street, and 325-ft of frontage along Bryant Street, and 200-ft of frontage along 18th Street. Currently, the subject lot contains six buildings, including: 2000 Bryant Street, a two-story mixed-use building with a ground floor commercial space and a dwelling unit on the second floor; 2010-2012 Bryant Street, a two-story arts activity building; 2028 Bryant Street, a two-story residential building with two dwelling units; 2815 18th Street, a two-story office building; 611 Florida Street, a one-to-two-story warehouse and automotive repair building; and 2044-2070 Bryant Street, a one-to-two-story warehouse/light industrial/arts activity building.
3. **Surrounding Properties and Neighborhood.** The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with mixed residential, commercial and industrial development along 18th, Bryant and Florida Streets. The immediate neighborhood includes a three-to-four-story former industrial building, two-story commercial properties, and a four-to-five-story larger-scale residential development. To the south of the project site on the same block, the adjacent buildings include two-to-three-story and

six-story multi-family dwellings. The project site has three street frontages: 18th Street, which is 66-ft wide with parallel parking on either side of the street; Bryant Street, which is 80-ft wide with parallel parking on either side of the street and Florida Street, which is also 80-ft wide with perpendicular parking on the east side of the street bordering the project site. Other zoning districts in the vicinity of the project site include: RH-2 (Residential, House, Two-Family) and PDR-1-G (Production, Distribution, Repair-General).

4. **Project Description.** The Project includes demolition of the six existing buildings on the project site (collectively measuring approximately 68,690 square feet), and new construction of a six-story, 68-ft tall, mixed-use building (approximately 203,656 square feet) with 199 dwelling units, ground floor retail/trade shop spaces along 18th Street and Florida Street (up to 7,007 square feet), 12,000 square feet of PDR space, 1 car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 80 two-bedroom units, 89 one-bedroom units, and 30 studio units. The Project also incorporates one off-street freight loading space within the private mid-block alley. The Project includes common open space (approximately 15,920 square feet) via two interior courtyards and a roof terrace. The Project would also include a lot merger and subdivision of Lots 001, 002 and 021 on Block 4022. The new lots would measure 230-ft by 200-ft (Project), and 95-ft by 200-ft (Land Dedication Site).
5. **Public Comment.** The Department has numerous public correspondences regarding the proposed project. Much of this public correspondence has expressed opposition to the proposed project; however, the Department has also received letters in support of the Project.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Permitted Uses in UMU Zoning Districts.** Planning Code Sections 843.20, 843.45 and 843.78-843.87 states that residential, retail and industrial (PDR) uses are principally permitted use within the UMU Zoning District.

The Project would construct new residential, retail and PDR uses within the UMU Zoning District; therefore, the Project complies with Planning Code Sections 843.20, 843.45, and 843.78-843.87.

On June 2, 2016, the Commission increased the amount of PDR space within the Project to 12,000 square feet, in order to mitigate the loss of existing PDR space and further meet the goals of the Mission Area Plan.
 - B. **Floor Area Ratio.** Planning Code Section 124 establishes a FAR (Floor Area Ratio) of 5:1 for properties within the UMU Zoning District and a 68-X Height and Bulk District.

The Project's lot is 46,000 sq ft, thus resulting in a maximum allowable floor area of 230,000 sq ft for non-residential uses. The Project would construct up to 7,007 sq ft of non-residential space and 12,000 square feet of PDR space, and would comply with Planning Code Section 124.

- C. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth of the lot to be provided at every residential level. The Project would merge the subject lots and subdivide the lot, so that the Project would be located on a lot measuring 230-ft by 200-ft (or 46,000 square feet). Therefore, the Project would have to provide a rear yard, which measures approximately 11,500 sq ft.

Currently, the Project is designed to have full lot coverage on the ground floor level and does not provide a rear yard at the lowest level containing a dwelling unit. The Project provides open space through two interior courtyards and a roof terrace. The Project provides a total of 15,920 sq ft of code-complying open space. This amount of open space, which would have been provided through the required rear yard, is thus exceeded. Since the Project does not provide a code-complying rear yard, the Project is seeking an exception to the rear yard requirement as part of the Large Project Authorization.

The Project occupies the majority of the block bounded by 18th, Florida, 19th and Bryant Streets. The subject block does not possess a pattern of mid-block open space, since the majority of the project site is currently occupied by a one-to-two-story industrial building. By providing for two interior courtyards, the Project maintains the street wall along 18th, Bryant and Florida Streets, and provides sufficient dwelling unit exposure for all dwelling units.

- D. **Useable Open Space.** Planning Code Section 135 requires a minimum of 80 sq ft of open space per dwelling unit, if not publically accessible, or 54 sq ft of open space per dwelling unit, if publically accessible. Private useable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 sq ft is located on a deck, balcony, porch or roof, and shall have a minimum horizontal dimension of 10 feet and a minimum area of 100 sq ft if located on open ground, a terrace or the surface of an inner or outer court. Common useable open space shall be at least 15 feet in every horizontal dimension and shall be a minimum area of 300 sq ft. Further, inner courts may be credited as common useable open space if the enclosed space is not less than 20 feet in every horizontal dimension and 400 sq ft in area, and if the height of the walls and projections above the court on at least three sides is such that no point on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court.

For the proposed 199 dwelling units, the Project is required to provide 15,920 sq ft of useable open space. Overall, the Project meets the open space requirements for the 199 dwelling units through a roof terrace, which measures 15,920 sq ft. Therefore, the Project complies with Planning Code Section 135.

In addition to the code-complying open space, the Project also includes two inner courtyards, which are 40-ft in width, but do not meet the dimensional requirements of Planning Code Section 135. This open space is in addition to the provided code-complying open space on the roof terrace.

- E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires a streetscape plan, which includes elements from the Better Streets Plan, for new construction on a lot greater than a half-acre in size.

The Project includes the new construction of a six-story mixed-use building on a lot with approximately 230-ft of frontage along Florida Street, 200-ft of frontage along 18th Street and approximately 230-ft of frontage along Bryant Street. Currently, the Project includes new streetscape elements, such as new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. The Project would incorporate perpendicular on-street parking along Florida Street, parallel on-street parking on Bryant Street, and two on-street loading zones on 18th Street. Therefore, the Project complies with Planning Code Section 138.1.

- F. **Bird Safety.** Planning Code Section 139 outlines the standards for bird-safe buildings, including the requirements for location-related and feature-related hazards.

The subject lot is not located in close proximity to an Urban Bird Refuge. The Project meets the requirements of feature-related standards and does not include any unbroken glazed segments 24-sq ft and larger in size; therefore, the Project complies with Planning Code Section 139.

- G. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, rear yard or other open area that meets minimum requirements for area and horizontal dimensions. To meet exposure requirements, a public street, public alley, side yard or rear yard must be at least 25 ft in width, or an open area (either an inner court or a space between separate buildings on the same lot) must be no less than 25 ft in every horizontal dimension for the floor at which the dwelling unit is located.

The Project organizes the dwelling units to have exposure either on one of the public streets (18th, Florida, or Bryant Streets), within one of the two code-complying interior courtyards, or along the private alley, which measures 25-ft wide. Therefore, the Project complies with Planning Code Section 140.

- H. **Street Frontage in Mixed Use Districts.** Planning Code Section 145.1 requires off-street parking at street grade on a development lot to be set back at least 25 feet on the ground floor; that no more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new structure parallel to and facing a street shall be devoted to parking and loading ingress or egress; that space for active uses be provided within the first 25 feet of building depth on the ground floor; that non-residential uses have a minimum floor-to-floor height of 17 feet; that the floors of street-fronting interior spaces housing non-residential active uses and lobbies be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces; and that frontages with active uses that are not residential or PDR be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level.

The Project meets most of the requirements of Planning Code Section 145.1. At grade, the off-street parking is setback by more than 25-ft from the street. The Project has only one 11-ft wide garage entrance along Bryant Street. The Project features at-grade off-street parking, which is setback more than 25-ft from the street. The Project features active uses on the ground floor with residential amenities, a ground floor retail/trade shop use, walk-up dwelling units with direct, individual pedestrian access to a public sidewalk, flexible units along. Finally, the Project features appropriate street-facing ground level spaces, as well as the ground level transparency and fenestration requirements.

For the PDR and arts uses, the Project incorporates a ground floor ceiling height, which ranges from 18-ft to 19-ft 11-in. Due to the existing grade of the project site, the ground floor ceiling height for the non-residential varies from 17-ft tall along Florida Street down to 14-ft 5-in along Bryant Street; therefore, the Project does not meet the requirements for ground floor ceiling height, as required in Planning Code Section 145.1. Therefore, the Project is seeking an exception to the ground floor ceiling height requirement as part of the Large Project Authorization.

- I. **Off-Street Parking.** Planning Section 151.1 of the Planning Code allows off-street parking at a maximum ratio of .75 per dwelling unit.

For the 199 dwelling units, the Project is allowed to have a maximum of 149 off-street parking spaces. Currently, the Project provides 85 off-street parking spaces via mechanical lifts. Of these 85 off-street parking spaces, 2 handicap parking spaces have been identified, as well as 1 car-share parking spaces. Therefore, the Project complies with Planning Code Section 151.1.

- J. **Off-Street Freight Loading.** Planning Section 152.1 of the Planning Code requires two off-street freight loading space for apartment use between 200,001 and 500,000 gsf.

The Project includes approximately 203,656 square feet of apartment use; thus, the Project requires at least two off-street freight loading spaces. The Project is proposing two on-street loading space along 18th Street, and one off-street loading zone within the mid-block alley, which is accessed from Florida Street. The Project is seeking an exception to the requirement to provide two off-street loading spaces as part of the Large Project Authorization.

- K. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires at least 100 Class 1 bicycle parking spaces plus one Class 1 bicycle parking space for every four dwelling units and one Class 2 bicycle parking spaces for every 20 dwelling units. In addition for the retail use, one Class 1 space is required for every 7,500 square feet of occupied area and a minimum of two Class 2 bicycle parking spaces are required and an additional Class 2 bicycle parking space is required for every 2,500 square feet of occupied area.

The Project includes 199 dwelling units, up to 7,007 square feet of ground floor retail/trade shop use, and 12,000 square feet of PDR use; therefore, the Project is required to provide 128 Class 1 bicycle parking spaces and 18 Class 2 bicycle parking spaces. The Project will provide 128 Class 1 bicycle

parking spaces and 18 Class 2 bicycle parking spaces. Therefore, the Project complies with Planning Code Section 155.2.

- L. **Car Share Requirements.** Planning Code Section 166 requires one car-share parking space for projects with 50 to 200 residential units.

Since the Project includes 199 dwelling units, it is required to provide a minimum of two car-share parking spaces. The Project provides two car-share parking spaces. Therefore, the Project complies with Planning Code Section 166.

- M. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project is providing off-street parking that is accessory to the dwelling units. These spaces will be unbundled and sold and/or leased separately from the dwelling units; therefore, the Project meets this requirement.

- N. **Dwelling Unit Mix.** Planning Code Section 207.6 requires that no less than 40 percent of the total number of proposed dwelling units contain at least two bedrooms, or no less than 30 percent of the total number of proposed dwelling units contain at least three bedrooms.

For the 199 dwelling units, the Project is required to provide at least 80 two-bedroom units or 60 three-bedroom units. The Project provides 30 studios, 89 one-bedroom units and 80 two-bedroom units. Therefore, the Project meets the requirements for dwelling unit mix.

- O. **Horizontal Mass Reduction.** Planning Code Section 270.1 outlines the requirements for horizontal mass reduction on large lots within the Eastern Neighborhoods Mixed Use Districts. For projects with street frontage greater than 200-ft in length, one or more mass reduction breaks must be incorporated to reduce the horizontal scale of the building into discrete sections not more than 200-ft in length. Specifically, the mass reduction must 1) be not less than 30-ft in width; 2) be not less than 60-ft in depth from the street-facing building façade; 3) extend up to the sky from a level not higher than 25-ft above grade or the third story, whichever is lower; and, 4) result in discrete building sections with a maximum plan length along the street frontage not greater than 200-ft.

Since the overall frontage is 230-ft along Bryant and Florida Streets, larger than 200-ft, the Project is required to provide a single horizontal mass break along Bryant and Florida Streets, which is not less than 30-ft wide by 60-ft deep, and extends from the third-story up to the sky. Per the Planning Code, this mass break must result in discrete building sections along the street frontage of not greater than 200-ft.

Over the entire project site, the Project incorporates a private alley as part of the horizontal mass reduction to provide separation between the principal project and the land dedication site. This alley is 25-ft wide and is open to the sky from the ground floor. Since the provided horizontal mass reduction does not meet the dimensional requirements of the Planning Code, the Project is seeking an exception to the horizontal mass reduction requirements as part of the Large Project Authorization.

- P. **Shadow.** Planning Code Section 295 restricts net new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission. Any project in excess of 40 feet in height and found to cast net new shadow must be found by the Planning Commission, with comment from the General Manager of the Recreation and Parks Department, in consultation with the Recreation and Park Commission, to have no adverse impact upon the property under the jurisdiction of the Recreation and Park Commission.

Based upon a detail shadow analysis, the Project does not cast any net new shadow upon property under the jurisdiction of the Recreation and Parks Commission.

- Q. **Loss of Dwelling Units through Demolition.** Planning Code Section 317 requires Conditional Use Authorization from the Planning Commission for the removal of three or more dwelling units in any zoning district.

The Project Sponsor has submitted a Conditional Use Authorization Application for the removal of three dwelling units on the project site (See Case No. 2013.0677CUA).

- R. **Transportation Sustainability Fee.** Planning Code Section 411A is applicable to new development that results in more than twenty dwelling units.

The Project includes 192,711 gsf of new residential use, up to 7,007 gsf of retail/trade shop use, and 12,000 gsf of PDR use. This square footage shall be subject to the Transportation Sustainability Fee, as outlined in Planning Code Section 411A.

- S. **Residential Child-Care Impact Fee.** Planning Code Section 414A is applicable to new development that results in at least one net new residential unit.

The Project includes 192,711 gsf of new residential use associated with the new construction of 199 dwelling units. This square footage shall be subject to the Residential Child-Care Impact Fee, as outlined in Planning Code Section 411A.

- T. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Since the subject property is located within the UMU Zoning District, the Project is subject to the inclusionary affordable housing requirements identified in Planning Code Section 419. The

subject property has been designated as Tier B, thus a minimum of 16 percent of the total units constructed shall be considered affordable.

The Project Sponsor shall address the inclusionary affordable housing requirements through the land dedication alternative outlined in Planning Code Section 419.3.

This requirement is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the requirement is modified, the project would be required to provide an additional three on-site BMR units.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project or submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. and submits an Affidavit of such to the Department. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Mayor's Office Housing and the City Attorney's Office. The Project Sponsor has indicated the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions provided by the City and approved herein. The Project Sponsor submitted such Affidavit on May 4, 2016 and a draft of the Costa Hawkins agreement on May 4, 2016. The EE application was submitted on September 25, 2013. Pursuant to Planning Code Section 415.3 and 415.6 the on-site requirement is 16%. Of the 199 units, the Project Sponsor would provide three dwelling units as affordable rental units if the Charter amendment passes. The designation of these three units would be in combination with the land dedication alternative outlined in Planning Code Section 419.3.

If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable. The Project must execute the Costa Hawkins agreement prior to Planning Commission approval or must revert to payment of the Affordable Housing Fee.

- U. **Inclusionary Affordable Housing Program-Land Dedication.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects

that consist of five or more units, where the first application was applied for on or after July 18, 2006. Under Planning Code Section 419.6, the Land Dedication Alternative may be elected as an alternative to the inclusionary housing component. As further described in Planning Code Section 419.5(a)(2), an Applicant may dedicate a portion of the total development area of the principal site to the City and County of San Francisco for the purpose of constructing units affordable to qualifying households. To meet this requirement, the developer must convey title to land in fee simple absolute to the Mayor's Office of Housing and Community Development (MOHCD). The dedicated site must result in a total amount of inclusionary units not less than 40 units; however, MOH may conditionally approve and accept dedicated sites which result in no less than 25 units at their discretion. Per Planning Code Section 419.2, all sites within the UMU Zoning District electing to utilize the land dedication alternative would be subject to the "Tier B" requirements.

In addition to designating three on-site BMR units, the Project Sponsor has elected to pursue the land dedication alternative to meet the inclusionary affordable housing program requirements. As a result of the pending lot subdivision, the new mixed-use building would be located on a parcel measuring 46,000 sq ft. Since the Project is located on a site that has at least 30,000 square feet of developable area, the Project Sponsor must provide a dedicated site that is capable of holding at least 35% of the total number of units from the Principal Project. The Principal Project possesses 199 dwelling units; therefore, the land dedication site must be able to construct at least 70 dwelling units. The Project Sponsor meets these requirements and shall subdivide Lot 21 on Assessor's Block 4022, and convey the new parcel located at 2070 Bryant Street to MOHCD, which would measure 19,000 sq ft (or 95-ft by 200-ft). Of this land, approximately 19,000 square feet would consist of developable area. The Project Sponsor has demonstrated that up to 98 dwelling units may be constructed on the dedicated land (as of right), and up to 136 dwelling units with a density bonus. If the Project were to pursue the on-site affordable housing alternative, the Project would be required to provide 16% or 32 below-market-rate dwelling units on the project site.

MOHCD concurs with the Project Sponsor's dedicated land and has conveyed a letter expressing conditional approval of the dedicated land.

- V. **Eastern Neighborhood Infrastructure Impact Fees.** Planning Code Section 423 is applicable to any development project within the MUO (Mixed Use Office) Zoning District that results in the addition of gross square feet of non-residential space.

The Project includes approximately 203,656 square feet of new development consisting of approximately 192,711 sq ft of residential use, up to 7,007 sq ft of retail/trade shop use, 12,000 sq ft of PDR use, and up to 11,994 sq ft of garage. Excluding the square footage dedicated to the garage, the other uses are subject to Eastern Neighborhood Infrastructure Impact Fees, as outlined in Planning Code Section 423. These fees must be paid prior to the issuance of the building permit application.

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

A. Overall building mass and scale.

The Project is designed as a large-scale, six-story, 68-ft tall, brick warehouse, which encompasses the full block on 18th Street between Bryant and Florida Street. This large-scale massing is appropriate given the larger neighborhood context, which includes larger-scale, four-story reinforced concrete industrial buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties and larger-scale industrial properties—both of which range in height from one-to-five-stories in height. The Project's overall mass and scale are further broken down by the fine detail evident in the choice of exterior materials (brick), ground floor storefronts and accentuated cornices. In addition, the Project incorporates a 25-ft wide private alley, which provides separation from the adjacent land dedication site. Overall, these features provide variety in the building design and scale, while providing for a feature that strongly relates to the varied neighborhood context. Thus, the project is appropriate and consistent with the mass and scale of the surrounding neighborhood.

B. Architectural treatments, facade design and building materials:

The Project's architectural treatments, façade design and building materials include a brick, aluminum-sash windows, wood storefronts, and terra cotta glazed tiles. The Project's overall design aesthetic harkens back to industrial buildings of the 19th and 20th century. The Project successfully draws from these older industrial properties in a contemporary manner, and provides a design, which incorporates finer detailing on the exterior, as evident in the material palette, cornice, window surrounds and storefront. The Project provides for a unique and contemporary expression along the street, which draws from the mixed-industrial character within the surrounding area, while also referencing older architectural styles. The Project evokes a 19th century brick warehouse with a red brick exterior, terracotta tile, and wood storefront. Overall, the Project offers a high quality architectural treatment, which provides for unique and expressive architectural design that is consistent and compatible with the surrounding neighborhood.

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access;

Along the lower floors, the Project provides for residential amenities (lounge, fitness room, and entry lobby), ground floor retail, ground floor PDR space, walk-up dwelling units with individual pedestrian access on Bryant Street, and "flexible units" on Florida Street. These dwelling units, retail space and PDR space will provide for activity on the street level along with the new streetscape improvements. In addition, the Project is seeking an exception to permit five "flexible units" along Florida Street. The Project minimizes the impact to pedestrian by providing one 11-ft wide garage entrance on Bryant

Street, and one 24-ft wide loading zone along Florida Street. In addition, off-street parking is setback from the ground floor by more than 25-ft.

- D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site;

The Project provides code-complying open space via a roof terrace. In addition, the Project provides additional open space through two inner courtyards. The Project also includes semi-public street improvements, including a private mid-block alley.

- E. The provision of mid-block alleys and pathways on frontages between 200 and 300 linear feet per the criteria of Section 270, and the design of mid-block alleys and pathways as required by and pursuant to the criteria set forth in Section 270.2;

The Project is not subject to the mid-block alley requirements, since the subject block is not larger than 400-ft. The Project is voluntarily providing a mid-block pedestrian alley adjacent to the six-story mixed-use building.

- F. Streetscape and other public improvements, including tree planting, street furniture, and lighting.

In compliance with Planning Code Section 138.1, the Project would provide new street trees along 18th, Florida and Bryant Streets, as specified by the Department of Public Works. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. These improvements would vastly improve the public realm and surrounding streetscape.

- G. Circulation, including streets, alleys and mid-block pedestrian pathways;

The Project provides ample circulation in and around the project site through the sidewalk improvement and a voluntary mid-block alley. The primary focal point for retail visitors would occur along 18th and Florida Streets, while the residents have a ground-floor entrance on 18th Street. Automobile access is limited to the one entry/exit on Bryant Street. An off-street loading zone is provided along Florida Street. The Project incorporates two interior courtyards, which are accessible to residents.

- H. Bulk limits;

The Project is within an 'X' Bulk District, which does not restrict bulk.

- I. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan;

The Project, on balance, meets the Objectives and Policies of the General Plan. See Below.

8. **Large Project Authorization Exceptions.** Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts:

A. **Rear Yard:** Exception for rear yards, pursuant to the requirements of Section 134(f);

Modification of Requirements in the Eastern Neighborhoods Mixed Use Districts. The rear yard requirement in Eastern Neighborhoods Mixed Use Districts may be modified or waived by the Planning Commission pursuant to Section 329...provided that:

(1) A comparable, but not necessarily equal amount of square footage as would be created in a code conforming rear yard is provided elsewhere within the development;

The Project provides for a comparable amount of open space, in lieu of the required rear yard. Overall, the Project will be located on a lot measuring 46,000 sq ft in size, and would be required to provide a rear yard measuring 11,500 sq ft. The Project provides common open space for the 199 dwelling units through two inner courtyards and a roof terrace. In total, the Project provides approximately 15,920 sq ft of code-complying open space, thus exceeding the amount of space, which would have been provided in a code-conforming rear yard.

(2) The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties or adversely affect the interior block open space formed by the rear yards of adjacent properties; and

The Project does not impede access to light and air for the adjacent properties. Many of the abutting residential properties have narrow rear yards or no rear yard. The Project is setback from the neighboring properties and is separated by a private mid-block alley and the land dedication site.

(3) The modification request is not combined with any other residential open space modification or exposure variance for the project, except exposure modifications in designated landmark buildings under Section 307(h)(1).

The Project is not seeking an exception to the requirements for residential open space or dwelling unit exposure. The Project provides code-complying open space on the roof terrace and all dwelling units meet the exposure requirements defined in Planning Code Section 140.

B. **Off-Street Loading:** Exception from satisfaction of loading requirements per Section 152.1 pursuant to the criteria contained therein.

For projects in the Eastern Neighborhoods Mixed Use Districts that are subject to Section 329, the Planning Commission may waive these requirements per the procedures of Section 329 if

it finds that the design of the project, particularly ground floor frontages, would be improved and that such loading could be sufficiently accommodated on adjacent streets and alleys.

The Project would provide two on-street loading parking spaces on 18th Street and one off-street loading space within the private mid-block alley accessible from Florida Street. The on-street loading would meet the retail and residential needs of the Project. The Project offers additional off-street loading within the private mid-block alley, which can serve the ground floor PDR and flexible units. Overall, the Project's proposed loading assists in improving the ground floor street frontage and would improve character of the streets.

- C. Horizontal Mass Reduction: Modification of the horizontal massing breaks required by Section 270.1 in light of any equivalent reduction of horizontal scale, equivalent volume of reduction, and unique and superior architectural design, pursuant to the criteria of Section 270.1(d).

The Planning Commission may modify or waive this requirement through the process set forth in Section 329. When considering any such application, the Commission shall consider the following criteria:

- 1) no more than 50% of the required mass is reduced unless special circumstances are evident;

The Project incorporates a horizontal mass break from the ground floor up to the sky, which is 25-ft in width, across the entire length of the project site. The Project exceeds the required amount of mass that would have been reduced under a code-complying mass reduction.

- 2) the depth of any mass reduction breaks provided is not less than 15 feet from the front facade, unless special circumstances are evident;

The Project incorporates a mass break, which is more than 15-ft deep from the front façade.

- 3) the proposed building envelope can be demonstrated to achieve a distinctly superior effect of reducing the apparent horizontal dimension of the building; and

Through the incorporation of the mid-block alley and horizontal mass break, the Project achieves a distinctly superior building form, due to the separation from the adjacent land dedication site and the building's overall style. The Project evokes a style reminiscent of larger-scale, 19th century-early 20th century brick warehouses, which often features finer grain details and a rectilinear massing.

- 4) the proposed building achieves unique and superior architectural design.

The Project achieves a unique and superior architectural design that appropriately evokes an industrial aesthetic from the 19th century – early 20th century. The Project's massing and scale is appropriate given the larger neighborhood context. Overall, the Project provides finer grain details, which are appropriate given the Project's design and style.

- D. Flexible Units: Modification of the accessory use provisions of Section 803.3(b)(1)(c) for Dwelling Units. Dwelling Units modified under this Subsection shall continue to be considered Dwelling Units for the purposes of this Code and shall be subject to all such applicable controls and fees. Additionally, any building that receives a modification pursuant to this Subsection shall (i) have appropriately designed street frontages to accommodate both residential and modified accessory uses and (ii) obtain comment on the proposed modification from other relevant agencies prior to the Planning Commission hearing, including the Fire Department and Department of Building Inspection. Modifications are subject to the following:

(i) A modification may only be granted for the ground floor portion of Dwelling Units that front on a street with a width equal to or greater than 40 feet.

The Project seeks an exception to the accessory use provisions for five dwelling units on the ground floor along Florida Street. Florida Street is wider than 40-ft, and is a qualifying street.

(ii) The accessory use may only include those uses permitted as of right at the subject property. However, uses permitted in any unit obtaining an accessory use modification may be further limited by the Planning Commission.

The Project will only include accessory uses that are principally-permitted uses in the UMU Zoning District, as defined in Planning Code Section 843.

(iii) The Planning Commission may grant exceptions to the size of the accessory use, type and number of employees, and signage restrictions of the applicable accessory use controls.

The Project is seeking modification to the accessory use provisions for dwelling units to allow for greater flexibility in the size and type of an accessory use, to provide for a limited number of employees, and to allow for public access.

- E. Where not specified elsewhere in Planning Code Section 329(d), modification of other Code requirements which could otherwise be modified as a Planned Unit Development (as set forth in Section 304), irrespective of the zoning district in which the property is located;

In addition to the exception for rear yard, off-street loading, horizontal mass reduction, and accessory use provisions for dwelling units, the Project is seeking an exception to the requirements ground floor ceiling height for non-residential uses (Planning Code Section 145.1).

Under Planning Code Section 145.1(c)(4), the ground floor ceiling height for non-residential uses is required to be a minimum of 17-ft in the UMU Zoning District. Currently, the Project specifies a ground floor ceiling height, which ranges from 14-ft 5-in to 17-ft. Although the ground floor ceiling height varies, the architectural expression along the street frontage is consistent and the overall design reinforces the concept of a tall ground floor. The Commission supports this exception, due to the overall quality of design and the streetscape improvements along 18th, Florida and Bryant Streets.

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

Policy 1.2

Focus housing growth and infrastructure necessary to support growth according to community plans. Complete planning underway in key opportunity areas such as Treasure Island, Candlestick Park and Hunter's Point Shipyard.

Policy 1.10

Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project is a higher density residential development, which provides up to 199 new dwelling units in a mixed-use area. The Project abuts smaller-scale residential uses and one-to-two-story commercial buildings. The project site was recently rezoned as part of a long range planning goal to create a cohesive residential and mixed-use neighborhood. The Project includes 3 on-site affordable housing units for rent (if the upcoming Charter Amendment passes) and will dedicate a portion of the project site to MOHCD for the purpose of developing up to 136 affordable housing units. These two methods comply with the City's affordable housing goals. The Project is also in proximity to public transportation options.

OBJECTIVE 4

FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Policy 4.1

Develop new housing, and encourage the remodeling of existing housing, for families with children.

Policy 4.4

Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

Policy 4.5

Ensure that new permanently affordable housing is located in all of the City's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels.

The Project will dedicate a portion of the project site to MOHCD, thus meeting the affordable housing requirements. Additionally, should a proposed Charter amendment pass, the project would provide an additional 3 on-site affordable units for rent. These methods encourage diversity among income levels within the new development. In addition, the Project provides the appropriate amount of new two-bedroom units, and meets the requirements for dwelling unit mix.

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The Project responds to the site's mixed-character by providing new ground floor retail and PDR opportunities and new dwelling units. The Project appropriately responds to the varied character of the larger neighborhood. The Project's facades provide a unique expression not commonly found within the surrounding area, while providing for a material palette, which draws from the surrounding industrial context.

COMMERCE AND INDUSTRY ELEMENT

Objectives and Policies

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

The Project provides new opportunity for new ground floor retail and PDR uses, which are consistent with the goals for the UMU Zoning District. The surrounding neighborhood does not have an overabundance of ground floor retail uses. The Project would provide new opportunity for neighborhood-serving retail uses. In addition, as expressed by the Commission, the Project will provide 12,000 square feet of PDR use, which will provide a mix of uses on the ground floor and assist in mitigating the loss of the existing PDR uses.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4:

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5:

Require private usable outdoor open space in new residential development.

Policy 4.6:

Assure the provision of adequate public open space to serve new residential development.

The Project will create common open space areas in a new mixed-use development through inner courts and a roof terrace. The Project will not cast shadows over open spaces under the jurisdiction of the Recreation and Park Department.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:
IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:
Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3:
Install pedestrian-serving street furniture where appropriate.

Policy 24.4:
Preserve pedestrian-oriented building frontages.

The Project includes new street trees along the public rights-of-way. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, new street trees, bicycle parking spaces, and corner bulb-outs. Frontages are designed with active spaces oriented at the pedestrian level. The new garage entrance/exit is narrow in width and assists in minimizing pedestrian and bicycle conflicts.

OBJECTIVE 28:
PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:
Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:
Provide parking facilities which are safe, secure, and convenient.

The Project includes 128 Class 1 bicycle parking spaces and 18 Class 2 bicycle parking spaces in secure, convenient locations, thus meeting the amount required by the Planning Code.

OBJECTIVE 34:
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:
Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project adheres to the principally permitted parking amounts within the Planning Code. The parking spaces are accessed by one ingress and egress point. Parking is adequate for the project and complies with maximums prescribed by the Planning Code.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.7:

Recognize the natural boundaries of districts, and promote connections between districts.

OBJECTIVE 2:

CONSERVATION OF RESOURCES WHICH PROVIDE A SENSE OF NATURE, CONTINUITY WITH THE PAST, AND FREEDOM FROM OVERCROWDING.

Policy 2.6:

Respect the character of older development nearby in the design of new buildings.

The Project is located within the Mission neighborhood, which is characterized by the mix of uses. As such, the Project provides expressive street façades, which respond to form, scale and material palette of the existing neighborhood, while also providing a new contemporary architectural vocabulary.

OBJECTIVE 4:

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.5:

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13:

Improve pedestrian areas by providing human scale and interest.

Although the project site has three street frontages, it only provides one vehicular access points for the off-street parking, thus limiting conflicts with pedestrians and bicyclists. Numerous street trees will be planted on each street. Along the project site, the pedestrian experience will be greatly improved.

MISSION AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1

IN AREAS OF THE MISSION WHERE HOUSING AND MIXED-USE IS ENCOURAGED, MAXIMIZE DEVELOPMENT POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER.

Policy 1.2.1

Ensure that in-fill housing development is compatible with its surroundings.

Policy 1.2.2

For new construction, and as part of major expansion of existing buildings in neighborhood commercial districts, require ground floor commercial uses in new housing development. In other mixed-use districts encourage housing over commercial or PDR where appropriate.

Policy 1.2.3

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Policy 1.2.4

Identify portions of the Mission where it would be appropriate to increase maximum heights for residential development.

Housing

OBJECTIVE 2.3

ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES

Policy 2.3.3

Require that a significant number of units in new developments have two or more bedrooms, except Senior Housing and SRO developments unless all Below Market Rate units are two or more bedrooms.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6

Establish an impact fee to be allocated towards an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REINFORCES THE MISSION'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER

Policy 3.1.8

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM

Policy 3.2.1

Require high quality design of street-facing building exteriors.

Policy 3.2.3

Minimize the visual impact of parking.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

Policy 3.2.6

Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.

Transportation

OBJECTIVE 4.7

IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN THE MISSION

Policy 4.7.2

Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and at concentrations of employment.

OBJECTIVE 4.8

ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

Policy 4.8.1

Continue to require car-sharing arrangements in new residential and commercial developments, as well as any new parking garages.

Streets & Open Space

OBJECTIVE 5.3

CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS and ecological sustainability OF THE NEIGHBORHOOD.

Policy 5.3.1

Redesign underutilized portions of streets as public open spaces, including widened sidewalks or medians, curb bulb-outs, "living streets" or green connector streets.

Policy 5.3.2

Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.

The Project features an appropriate mix of uses encouraged by the Area Plan for this location. The Project provides 199 new dwelling units, which will be available for rent. In addition, the Project is located within the prescribed height guidelines, and includes the appropriate dwelling unit mix, since more than 40% or 80 units are two-bedroom dwellings. The Project also incorporates an appropriate mix of uses for the UMU Zoning District, as evidenced by the 12,000 square feet of PDR use. The Project introduces a contemporary architectural vocabulary that draws from the neighborhood's industrial aesthetic, which is sensitive to the prevailing scale and neighborhood fabric. The Project provides for a high quality designed exterior, which features a variety of materials, colors and textures, including brick and aluminum windows. The Project provides ample common open space and also improves the public rights of way with new streetscape improvements, street furniture, corner bulb outs, and landscaping. The Project minimizes the impact of off-street parking and is in proximity to public transit options. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

Although the project site currently contains existing neighborhood-serving uses, including a restaurant and auto repair shop, the Project would assist in enhancing the larger neighborhood by providing new space for new neighborhood-serving uses and other retail opportunities. The Project improves the urban form of the neighborhood by constructing new ground floor retail and PDR uses. These new retail spaces will provide goods and services to area workers, residents and visitors, while creating new ownership and employment opportunities for residents. The Project would add new residents, visitors, and employees to the neighborhood, which would assist in strengthening nearby retail uses.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

Although the Project would demolish three existing housing units, the Project would provide 199 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. Further, the Project will dedicate a portion of the project site to MOHCD, who will develop the land with affordable housing, and, should a proposed Charter amendment pass, the Project will provide three on-site BMR units for rent. The Project is expressive in design, and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

- C. That the City's supply of affordable housing be preserved and enhanced.

The Project will not displace any identified affordable housing units. The three existing units are not identified as affordable housing units. The Project will comply with the City's Inclusionary Housing Program, therefore increasing the stock of affordable housing units in the City.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The project site is served by nearby public transportation options. The Project is located within one block of bus lines for the 27-Bryant & within three blocks of the bus lines for the 22-Fillmore and 33-Stanyan. Future residents would be afforded proximity to bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development. The Project provides new ground floor retail use, PDR use and housing, which is a top priority in the City. The new retail use will provide new opportunity for the service sector.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

Currently, the project site does not contain any City Landmarks or historic buildings.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will not affect the City's parks or open space or their access to sunlight and vistas. A shadow study was completed and concluded that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission.

9. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
11. The Commission hereby finds that approval of the Large Project Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Large Project Authorization Application No. 2013.0677X** under Planning Code Section 329 to allow the new construction of a six-story, 68-ft tall, mixed-use building with 199 dwelling units, up to 7,007 square feet of retail/trade shop use, and a total of 12,000 gsf of PDR use, and a modification to the requirements for: 1) rear yard (Planning Code Section 134); 2) ground floor ceiling height for non-residential uses (Planning Code Section 145.1); 3) off-street freight loading (Planning Code Section 152.1); 4) horizontal mass reduction (Planning Code Section 270.1); and, 5) flexible units-modification to the accessory use provisions of 803.3(b)(1)(c) (Planning Code Sections 329(d)(10)), within the UMU (Urban Mixed Use) Zoning District and a 68-X Height and Bulk District. The project is subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 29, 2016, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 329 Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

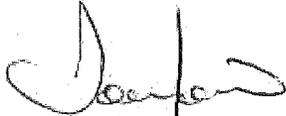
Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives NOTICE that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

Motion No. 19658
June 2, 2016

CASE NO. 2013.0677X
2000-2070 Bryant Street

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 2, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Antonini, Fong, Johnson, Hillis and Richards

NAYS: Moore and Wu

ABSENT: None

ADOPTED: June 2, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the new construction of a six-story, 68-ft tall, mixed-use building with 199 dwelling units, 7,007 gsf of ground floor retail use, 3,938 gsf of PDR use, and a modification to the requirements for rear yard, open space, permitted obstructions over the street, ground floor ceiling height, off-street loading and accessory use provisions for dwelling units, located at 2000-2070 Bryant Street, Lots 001, 002 and 021 in Assessor's Block 4022 pursuant to Planning Code Section 329 within the UMU (Urban Mixed Use) Zoning Districts, and a 68-X Height and Bulk District; in general conformance with plans, dated May 4, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2013.0677X and subject to conditions of approval reviewed and approved by the Commission on June 2, 2016 under Motion No. 19658. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on June 2, 2016 under Motion No. 19658.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19658 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Additional Project Authorization. The Project Sponsor must obtain a Conditional Use Authorization under Planning Code Sections 303 and 317 for removal of three residential units, and satisfy all the

conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Mitigation Measures. Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2013.0677E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN – COMPLIANCE AT PLAN STAGE

Final Materials. The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Garbage, Composting and Recycling Storage. Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the architectural addenda. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transformer Vault. The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

1. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
2. On-site, in a driveway, underground;
3. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
4. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
5. Public right-of-way, underground; and based on Better Streets Plan guidelines;
6. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
7. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

Rooftop Mechanical Equipment. Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application for each building. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Streetscape Plan. Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

PARKING AND TRAFFIC

Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking Maximum. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 149 off-street parking spaces for the 199 dwelling units in the UMU Zoning District.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Car Share. Pursuant to Planning Code Section 166, no fewer than one car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 128 Class 1 bicycle parking spaces and 18 Class 2 bicycle parking spaces for the 199 dwelling units, 7,007 square feet of ground floor retail use, and 3,938 square feet of PDR use.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Managing Traffic During Construction. The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking for Affordable Units. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

PDR Use. The Project shall incorporate 12,000 square feet of PDR use.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Anti-Discriminatory Housing. The Project shall adhere to the requirements of the Anti-Discriminatory Housing policy, pursuant to Administrative Code Section 1.61.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transportation Sustainability Fee. The Project is subject to the Transportation Sustainability Fee (TSF), as applicable, pursuant to Planning Code Section 411A.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Child Care Fee - Residential. The Project is subject to the Residential Child Care Fee, as applicable, pursuant to Planning Code Section 414A.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

First Source Hiring. The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

MONITORING

Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Revocation Due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>

Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org>

Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Lighting. All Project lighting shall be directed onto the Project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

INCLUSIONARY HOUSING

Land Dedication Alternative. The Project Sponsor has chosen to satisfy the affordability requirement for the Project through a land dedication pursuant to Planning Code Section 419.6 and 419.5(a)(2)(A)-(J). The Project Sponsor has been in discussions with the Mayor's Office of Housing (MOH) and the Planning Department. On May 12, 2016, MOH provided a letter to the Planning Department that confirmed that the site that the Project Sponsor has selected (a portion of 2070 Bryant St [Block 4022 Lot 021]), is acceptable under Planning Code Section 419.5(2), subject to the conditions included therein.

In the event the land dedication process is completed, and the fee title to the land dedication site is transferred to the City prior to the issuance of the first construction document for the Project, the Project will have fully complied with the Planning Code's Section 415 inclusionary affordable housing requirements. In the event, for whatever reason, fee title to the land dedication site is not transferred to

the City by issuance of the first construction document for the Project, the Project Sponsor will be subject to the requirements of Planning Code Section 415 and 419.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing at 415-701-5500, www.sf-moh.org.

Eastern Neighborhoods Affordable Housing Requirements for UMU. Pursuant to Planning Code Section 419.3, Project Sponsor shall meet the requirements set forth in Planning Code Section 419.3 in addition to the requirements set forth in the Affordable Housing Program, per Planning Code Section 415. Prior to issuance of first construction document, the Project Sponsor shall select one of the options described in Section 419.3 or the alternatives described in Planning Code Section 419.5 to fulfill the affordable housing requirements and notify the Department of their choice. Any fee required by Section 419.1 et seq. shall be paid to the Development Fee Collection Unit at DBI prior to issuance of the first construction document an option for the project sponsor to defer payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge in accordance with Section 107A.13.3 of the San Francisco Building Code.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org.

- 1. Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is currently required to provide 16% of the proposed dwelling units as affordable to qualifying households, but is subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. The Project contains 199 units. Should the proposed Charter Amendment pass, the Project Sponsor shall fulfill this requirement by providing the 3 affordable units on-site (1.5% of the units) in addition to the land dedication option described above. If the Project is subject to a different requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements at the time of compliance. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

- 2. Unit Mix.** The Project will provide an affordable unit mix of one studio, one one-bedroom, and one two-bedroom units, or the unit mix that may be required if the inclusionary housing requirements change as discussed above. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOHCD.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

3. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than one and a half percent (1.5%), or the applicable percentage as discussed above, of the each phase's total number of dwelling units as on-site affordable units.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
5. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.
6. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing's websites, including on the internet at: <http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.

As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project.

The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.

- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to qualifying households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average fifty-five (55) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco," but these income levels are subject to change under a proposed Charter amendment and pending legislation if the voters approve the Charter Amendment at the June 7, 2016 election. If the Project is subject to a different income level requirement if the Charter Amendment is approved and new legislative requirements take effect, the Project will comply with the applicable requirements. The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior

to issuance of the first construction document or must revert payment of the Affordable Housing Fee.

- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOHCD and pay interest on the Affordable Housing Fee and penalties, if applicable.

MITIGATION MONITORING AND REPORTING PROGRAM

MONITORING AND REPORTING PROGRAM				
Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><u>Project Mitigation Measure 1 – Archeological Mitigation Measure III (Testing) (Consistent with Eastern Neighborhoods Archeological Mitigation Measure J-2)</u></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 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 four weeks. At the direction of the ERO, the</p>	<p>Project Sponsor.</p>	<p>Prior to issuance of any permit for soil-disturbing activities and during construction.</p>	<p>Project Sponsor; ERO; archeologist.</p>	<p>Considered complete upon ERO’s approval of FARR.</p>

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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suspension of construction can be extended beyond four 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 Sect. 15064.5 (a)(c).

Consultation with Descendant Communities. On discovery of an archeological site¹ associated with descendant Native Americans, the Overseas Chinese, or other descendant group, an appropriate representative² 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 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 Report shall be provided to the representative of the descendant group.

Archeological Testing Program. 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

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

² 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.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.

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. 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:

- A. The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- B. 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.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures

Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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Archeological Monitoring Program. 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:

- 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 soils-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 these activities pose to potential archeological resources and to their depositional context;
- 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;
- 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,

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;</p> <ul style="list-style-type: none"> • The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis; • If an intact archeological deposit is encountered, all soils-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. 				

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.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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Archeological Data Recovery Program. 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 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.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program.* Consideration of an onsite/offsite public interpretive program during the course of the

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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archeological data recovery program.

- *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and distribution of results.
- *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.

Human Remains and Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal laws. This shall include immediate notification of the Coroner of the City and County of San Francisco 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 (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 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. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal,

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures

Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects.

Final Archeological Resources Report. 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.

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 (1) 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 National Register of Historic Places/California Register of Historical Resources. 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.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures

Project Mitigation Measure 2 – Construction Noise (Eastern Neighborhoods PEIR Mitigation Measure F-2)

The sponsor shall develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the DBI to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible:

- Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses;
- Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site;
- Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses;
- Monitor the effectiveness of noise attenuation measures by taking noise measurements; and
- Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.

Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Project Sponsor; contractor(s).	During construction period.	Project Sponsor to provide monthly noise reports during construction.	Considered complete upon final monthly report.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><u>Project Mitigation Measure 3 – Best Available Control Technology for Diesel Generators (Eastern Neighborhoods Mitigation Measure G-4)</u></p> <p>The project sponsor shall ensure that the backup diesel generator meet or exceed 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 a California Air Resources Board (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 Community Plan Exemption Checklist 655 Polsom Street 2013.0253E 49 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.</p>	Project Sponsor.	Prior to issuance of a permit for a backup diesel generator from any City agency.	Project Sponsor; Planning Department.	Considered complete upon Planning Department's approval of documentation prior to issuance of permit for generator.
<p><u>Project Mitigation Measure 4 – Hazardous Building Materials (Eastern Neighborhoods Mitigation Measure L-1)</u></p> <p>In order to minimize impacts to public and construction worker health and safety during demolition of the existing structure, the sponsor shall ensure that any equipment containing PCBs or DEHP, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any</p>	Project Sponsor.	Prior to any demolition or construction activities.	Project Sponsor; Planning Department.	Prior to any demolition or construction activities.

MONITORING AND REPORTING PROGRAM

Adopted Mitigation Measures	Responsibility for Implementation	Mitigation Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws.				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<u>Project Improvement Measure 1 – Transportation Demand Management (TDM) Measures</u>	Project Sponsor; SFMTA.	Ongoing.	Project Sponsor; SFMTA; Building Management.	Ongoing.

While the proposed project would not result in any significant traffic impacts, to reduce traffic generated by the proposed project, the project sponsor should encourage the use of rideshare, transit, bicycle, and walk modes for trips to and from the project site.

The San Francisco Planning Department and the San Francisco Municipal Transportation Agency (SFMTA) have partnered with the Mayor’s Office of Economic and Workforce Development and the San Francisco County Transportation Authority to study the effects of implementing TDM measures on the choice of transportation mode. The San Francisco Planning Department has identified a list of TDM measures that should be considered for adoption as part of proposed land use development projects. The project sponsor (or transportation broker) should consider the following actions:

- *TDM Coordinator:* The project sponsor should identify a TDM Coordinator for the project site. The TDM Coordinator should be the single point of contact for all transportation-related questions from residents and City staff. The TDM Coordinator is responsible for the implementation and ongoing operation of all other TDM measures included in the proposed project as noted below.

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> • <i>Transportation and Trip Planning Information:</i> <ul style="list-style-type: none"> ○ <i>Move-in packet.</i> Provide a transportation insert for each new resident's move-in packet that includes information on transit service (local and regional, schedules and fares), information on where transit passes may 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. This move-in packet should be continuously updated as transportation options change, and the packet should be provided to each new building occupant. Muni maps as well as San Francisco Bicycle and Pedestrian maps should be provided upon request. ○ <i>Posted and Real-Time Information.</i> Install local map and real-time transit information on-site in a prominent and visible location, such as within a building lobby. The local map should clearly identify transit, bicycle, and key pedestrian routes, and also depict nearby destinations and commercial corridors. Real-time transit information via NextMuni and/or regional transit data should be displayed on a digital screen. 				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> • <i>Data Collection:</i> <ul style="list-style-type: none"> ○ <i>City Access.</i> As part of an ongoing effort to quantify the efficacy of TDM measures, City staff may need to access the project site (including the garage) to perform trip counts, and/or intercept surveys and/or other types of data collection. The project sponsor should assure future access to the site by City staff. All on-site activities should be coordinated through the TDM Coordinator, including access to the project site by City staff for purposes of transportation data collection. Providing access to existing developments for data collection purposes is also encouraged. ○ <i>TDM Program Monitoring.</i> The project sponsor should collect data and make monitoring reports available for review by the San Francisco Planning Department. See TDM Monitoring section below for more detailed information. • <i>Bicycle Measures:</i> <ul style="list-style-type: none"> ○ <i>Design.</i> Design residential units to facilitate the use of a bicycle. 				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> ○ <i>Bike Route Access.</i> Facilitate direct access to bicycle facilities in the study area (e.g., Routes 25 and 40, Route 33, and Route 25) through signage. • <i>Building Access.</i> Ensure that the points of access to bicycle parking through elevators on the ground floor and the garage ramp include signage indicating the location of these facilities. • <i>Safety.</i> Develop bicycle safety strategies along the Florida Street side of the property, where Class II bike racks are located, and where there is bicycle access to the parking garage and Class I bike parking spaces. Examples include lighting and signage. • <i>Parking.</i> Increase the number of on-site secured bicycle parking beyond Planning Code requirements and/or provide additional bicycle facilities in the public right-of-way adjacent to or within a quarter-mile of the project site (e.g., sidewalks, on-street parking spaces). • <i>Bay Area Bike Share.</i> Provide free or subsidized bike share membership to residents and tenants. See Bike Share section below for additional information. • <i>Car Share Measures:</i> <ul style="list-style-type: none"> ○ <i>Parking.</i> Provide optional car share spaces as described in <i>Planning Code Section §166(g)</i>. 				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<ul style="list-style-type: none"> ○ <i>Membership.</i> Provide free or subsidized car share membership to all tenants. For example, offer one annual car share membership for each new resident (one per household) or employee. Recipient would be responsible for the remainder of the costs associated with the membership. • <i>Transit Measures: Transit Pass.</i> Offer free or subsidized Muni passes (loaded onto Clipper cards) to tenants. For example, offer a 50 percent subsidy for one Muni monthly pass for new residents (one per household), and employees for up to one year. Recipient would be responsible for the remainder of the costs associated with the Muni monthly pass. <p><i>TDM Monitoring.</i> The San Francisco Planning Department will provide the TDM Coordinator with a formatted template (electronic or hard copy) of the "Resident Transportation Survey" to facilitate the collection and presentation of travel data from residents. The Resident Transportation Survey will be administered (circulated and collected) by the TDM Coordinator, based on a standardized schedule (e.g., one year after 85 percent occupancy of all dwelling units, and every two years thereafter) that is approved by the Planning Department. The TDM Coordinator should collect responses from a minimum of one-third of residents within the occupied units within 90 days of receiving the Resident Transportation Survey from the San Francisco Planning</p>				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>Department. The San Francisco Planning Department will assist the TDM Coordinator in communicating the purpose of the survey, and will ensure that the identity of individual resident responders is protected. The San Francisco Planning Department will provide professionally prepared and easy-to-complete online (or paper) survey forms to assist with compliance.</p>				
<p>The San Francisco Planning Department will also provide the TDM Coordinator with a separate "Building Transportation Survey" that documents which TDM measures have been implemented during the reporting period, along with basic building information (e.g., percent unit occupancy, off-site parking utilization by occupants of building, loading frequency). The Building Transportation Survey should be completed by the TDM Coordinator and submitted to City staff within 30 days of receipt. The project sponsor should also allow trip counts and intercept surveys to be conducted on the premises by City staff or a City-hired consultant. Access to residential lobbies, garages, etc. should be granted by the project sponsor and facilitated by the TDM Coordinator. Trip counts and intercept surveys are typically conducted for two to five days between 6:00 AM and 8:00 PM on both weekdays and weekends.</p>				
<ul style="list-style-type: none"> • <i>Bike Sharing.</i> The project sponsor should contact Bay Area Bike Share (or its successor entity) to determine whether it would be interested and able to fund and install a new bikeshare station in the public right-of-way immediately 				

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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adjacent to the project site (including locations within new or existing sidewalks, new or existing on-street parking, or new or existing roadway areas). The project sponsor should contact Bay Area Bike Share early enough that they may respond by 60 days prior to the project sponsor's meeting with the Transportation Advisory Staff Committee (TASC) for approval of the streetscape design.³

If Bay Area Bike Share is not interested in or unable to fund and install a new bike share station, as indicated in writing, the project sponsor should not be obligated to design and permit such a space. If Bay Area Bike Share determines in writing that it would be interested and able to fund and install a new bike share station immediately adjacent to the project site within the time period specified above, the project sponsor should make best efforts to modify its streetscape design to accommodate a new bike share station. The project sponsor should coordinate with Bay Area Bike Share to obtain all City permits necessary and to design and install a station immediately adjacent to the project site in the public right-of-way. If the City agencies responsible for issuing the permits necessary to provide the new bike share station space reject the project sponsor's application despite project sponsor's best efforts, the project sponsor should not be obligated to provide such space.

Other potential measures for consideration would include

³ TASC approval typically occurs at the 90 percent design phase.

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p>unbundling parking (per Planning Code §167) or enlisting the services of a Transportation Management Association (TMA) to implement a package of TDM measures on behalf of the building.</p> <p>TDM strategies included in this improvement measure would be incorporated into the project's conditions of approval (COA) during the entitlement process. Other strategies may be proposed by the project sponsor and should be approved by City staff. Prior to issuance of a temporary permit of building occupancy, the project sponsor should execute an agreement with the San Francisco Planning Department for the provision of TDM services.</p>				
<p><u>Project Improvement Measure 2 – Pedestrian Audible and Visible Warning Devices</u></p> <p>While the proposed project would not result in any significant pedestrian impacts, it should be noted that Bryant Street is a major pedestrian route to and from the project site, as well as to and from neighborhood-serving commercial uses and transit service in the 16th Street corridor. To minimize the potential for conflict between vehicles exiting the project site and pedestrians along Bryant Street, the project sponsor should install audible and visible warning devices to alert pedestrians of the outbound vehicles departing the North Building garage.</p>	Project Sponsor.	Prior to building occupancy.	Project Sponsor; SFMTA.	Considered complete upon installation.
<p><u>Project Improvement Measure 3 – Freight Loading Management Measures</u></p> <p>While the proposed project would not result in any significant freight / service impacts, to minimize the potential for conflicts</p>	Project Sponsor.	Ongoing.	Project Sponsor; Building Management.	Ongoing.

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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between loading freight / service vehicles serving the project site, the project sponsor should implement the following improvement measures:

- *Schedule and Coordinate Loading Activities.* Schedule and coordinate loading activities through building management to ensure that trucks can be accommodated in the proposed off-street freight loading spaces. All regular events requiring use of the off-street freight loading spaces (e.g., retail deliveries, building service needs) should be coordinated directly with building management. Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities can be accommodated in the off-street freight loading spaces or in nearby on-street commercial loading zones or parking spaces.
- *Discourage Illegal Parking.* Trucks and other vehicles conducting freight loading / service vehicle activities should be discouraged from parking illegally or otherwise obstructing traffic, transit, bicycle, or pedestrian flow along any of the streets immediately adjacent to the building (18th Street, Bryant Street, or Florida Street). Building management should also be proactively involved in coordinating move-in and move-out activities for building residents and tenants to ensure that these activities do not disrupt bicycle and pedestrian circulation.

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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Project Improvement Measure 4 – Construction Traffic Management Measures

Project Sponsor; contractor(s)	Prior to and during construction	Project Sponsor; SFMTA.	Considered complete prior to construction.
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While the proposed project would not result in any significant construction impacts, to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the Project, the proposed project should implement the following improvement measures:

- *Limit Hours of Construction-Related Traffic.* Limit hours of construction-related traffic, including, but not limited to, truck movements, to avoid the weekday a.m. and p.m. peak hours (7:00 AM to 9:00 AM and 4:00 PM to 6:00 PM) (or other times, if approved by the San Francisco Municipal Transportation Agency [SFMTA]).
- *Coordinate Construction Projects.* Construction contractor(s) should coordinate construction activities with other potential projects that may be constructed in the vicinity of the project site.
- *Alternative Transportation for Construction Workers.* Construction contractor(s) for the project should encourage construction workers to make use of alternative modes of transportation (transit, rideshare, biking, or walking) when traveling to and from the construction site.

Any construction traffic occurring between 7:00 AM and 9:00 AM or between 4:00 PM and 6:00 PM would coincide with commute-period travel patterns and could result in minor disruptions to traffic, transit, bicycle, or pedestrian circulation

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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on streets adjacent to the Project site, although these effects would be considered a less than significant impact. Limiting truck movements to avoid these hours (or other times, if approved by SFMTA) would minimize these effects.

Construction contractor(s) for the Project would need to meet with SFMTA, the Fire Department, the Planning Department, and other City agencies to determine feasible measures to minimize disruptions to traffic, transit, bicycle, and pedestrian circulation during construction of the Project. In addition, the temporary increase in vehicle parking demand generated by construction workers would need to be met on-site or within other off-site parking facilities to be determined by the construction contractor(s).

Project Improvement Measure 5 – Driveway Queue Monitoring and Abatement

Project Sponsor.

Ongoing.

Project Sponsor; Building Management; Planning Department.

Ongoing.

While parking is discussed for informational purposes only and is not considered in determining if the proposed project has the potential to result in significant environmental effects, to minimize the impacts of the parking shortfall and potential for vehicles to queue on Bryant Street, the project sponsor should implement following improvement measure:

- *Driveway Queue Monitoring and Abatement.* It should be the responsibility of the owner / operator of the off-street parking facility to ensure that recurring vehicle queues do not occur on the public right-of-way. A vehicle queue is defined as one or more vehicles blocking any portion of any public street, alley, or sidewalk for a consecutive period of

MONITORING AND REPORTING PROGRAM

Improvement Measures	Responsibility for Implementation	Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
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three minutes or longer on a daily or weekly basis. If a recurring queue occurs, the owner / operator of the parking facility shall employ abatement methods as needed to abate the queue.

Suggested abatement methods include, but are not limited to, the following: redesign of facility layout 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; and / or parking demand management strategies such as parking pricing schemes

If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Department shall notify the property owner in writing. Upon request, the owner / operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant shall prepare a monitoring report to be submitted to the San Francisco Planning Department for review. If the San Francisco Planning Department determines that a recurring queue does exist, the facility owner / operator shall have 90 days from the date of the written determination to abate the queue.



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other (EN Impact Fees)

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No. 19657

HEARING DATE: JUNE 2, 2016

Case No: 2013.0677CUA
 Project Address: 2000-2070 BRYANT STREET
 Zoning: UMU (Urban Mixed Use) Zoning District
 68-X Height and Bulk District
 Block/Lot: 4022/001 and 002
 Project Sponsor: Nick Podell, Nick Podell Company
 22 Battery Street, Ste. 404
 San Francisco, CA 94111
 Staff Contact: Richard Sucre – (415) 575-9108
richard.sucre@sfgov.org

ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 AND 317 REQUIRING CONDITIONAL USE AUTHORIZATION FOR THE REMOVAL OF THREE RESIDENTIAL UNITS.

PREAMBLE

On February 9, 2015, Linsey Perlov of Nick Podell Company (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 303 and 317 to demolish one residential unit at 2000 Bryant Street and two residential units at 2028 Bryant Street on Assessor's Block 4022 Lots 001 and 002 within the UMU (Urban Mixed-Use) Zoning District and a 68-X Height and Bulk District.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by

the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On May 11, 2016, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2013.0677CUA at 1650 Mission Street, Fourth Floor, San Francisco, California.

On June 2, 2016, the Commission adopted Motion No. 19658, approving a Large Project Authorization for the Proposed Project (Large Project Authorization Application No. 2013.0677X). Findings contained within said motion are incorporated herein by this reference thereto as if fully set forth in this Motion.

On May 19, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2013.0677CUA. At this hearing, the Commission continued this project to June 2, 2016.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2013.0677CUA, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed project is located on three lots (with a lot area of 65,000± square feet), which are bounded by Florida, 18th and Bryant Streets, which have approximately 325-ft of frontage along Florida Street, 325-ft of frontage along Bryant Street, and 200-ft of frontage along 18th Street. The proposed project occupies the majority of the block bounded by 18th, Bryant, 19th and Florida Streets. Currently, the subject lot contains six buildings, including: 2000 Bryant Street, a two-story mixed-use building with a ground floor commercial space and a dwelling unit on the second floor; 2010-2012 Bryant Street, a two-story arts activity building; 2028 Bryant Street, a two-story residential building with two dwelling units; 2815 18th Street, a two-story office building; 611 Florida Street, a one-to-two-story warehouse and automotive repair building; and 2044-2070 Bryant Street, a one-to-two-story warehouse/light industrial/arts activity building.
3. **Surrounding Properties and Neighborhood.** The project site is located within the UMU Zoning Districts in the Mission Area Plan. The immediate context is mixed in character with mixed residential, commercial and industrial development along 18th, Bryant and Florida Streets. The immediate neighborhood includes a three-to-four-story former industrial building, two-story commercial properties, and a four-to-five-story larger-scale residential development. To the south of the project site on the same block, the adjacent buildings include two-to-three-story multi-family dwellings. The project site has three street frontages: 18th Street, which is 66-ft wide with parallel parking on either side of the street; Bryant Street, which is 80-ft wide with parallel parking on either side of the street and Florida Street, which is also 80-ft wide with perpendicular parking on the east side of the street bordering the project site. Other zoning districts in the vicinity of the project site include: RH-2 (Residential, House, Two-Family) and PDR-1-G (Production, Distribution, Repair-General).

4. **Project Description.** The Project includes demolition of the six existing buildings on the project site (collectively measuring approximately 68,690 square feet), which include two dwelling units at 2028 Bryant Street and one dwelling unit at 2000 Bryant Street. The Project includes new construction of a six-story, 68-ft tall, mixed-use building (approximately 203,656 square feet) with 199 dwelling units, ground floor retail/trade shop spaces along 18th Street and Florida Street (up to 7,007 square feet), 12,000 square feet of ground floor PDR space, 1 car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking spaces. The Project includes a dwelling unit mix consisting of 80 two-bedroom units, 89 one-bedroom units, and 30 studio units. The Project also incorporates two off-street freight loading spaces within the private mid-block alley. The Project includes common open space via two interior courtyards and a roof terrace (approximately 15,920 square feet). The Project would also include a lot merger and subdivision of Lots 001, 002 and 021 on Block 4022.
5. **Public Comment.** The Department has numerous public correspondences regarding the proposed project. Much of this public correspondence has expressed opposition to the proposed project; however, the Department has also received letters in support of the Project.
6. **Planning Code Compliance:** The Planning Code Compliance Findings set forth in Motion No. 19658, Case No. 2013.0677X (Large Project Authorization, pursuant to Planning Code Section 329) apply to this Motion, and are incorporated herein as though fully set forth.
7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 1. The proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

The use and size of the Project is compatible with the immediate neighborhood and the goals of the City. Although the Project would demolish three residential units, the Project, as a whole, would construct 199 dwelling units for rent (inclusive of 3 on-site affordable housing units for rent), which is more desirable in terms of compatibility with the surrounding housing density and the UMU Zoning District. The replacement building is designed to be consistent with the larger mixed-use neighborhood. The construction of new housing with affordable housing units is a goal supported by the City. Further, the Project will provide land dedicated to the City for construction of up to approximately 136 units of affordable housing.

2. Such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

- a) The nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The Project is located on a larger corner site bounded by Bryant, 18th and Florida Streets. The Project is designed as a large-scale, six-story, 68-ft tall, brick warehouse, which encompasses the full block on 18th Street between Bryant and Florida Street. This large-scale massing is appropriate given the larger neighborhood context, which includes larger-scale, four-story reinforced concrete industrial buildings. The surrounding neighborhood is extremely varied with many examples of smaller-scale residential properties and larger-scale industrial properties—both of which range in height from one-to-six-stories in height. The Project's overall mass and scale are further broken down by the fine detail evident in the choice of exterior materials (brick), ground floor storefronts and accentuated cornices. In addition, the Project incorporates a 25-ft wide private alley, which provides separation from the adjacent land dedication site. Overall, these features provide variety in the building design and scale, while providing for features that strongly relates to the varied neighborhood context. The proposed size, shape and arrangement of the Project are in keeping with the development patterns of the larger neighborhood.

- b) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166 of this Code;

For the 199 dwelling units, the Project is allowed to have a maximum of 149 off-street parking spaces. Currently, the Project provides 84 off-street parking spaces via mechanical lifts. Of these 85 off-street parking spaces, two handicap parking spaces have been identified, as well as one car-share parking spaces. Further, the Project incorporates only one garage entrances consisting of a 11-ft wide entrance on Bryant Street. The Project complies with the requirements for off-street parking, bicycle parking and car-share.

- c) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The Project is primarily residential in nature with 199 dwelling units. The Project does incorporate up to 7,007 square feet of ground floor retail/trade shop use and 12,000 square feet of PDR use. The proposed residential density and commercial intensity are not anticipated to produce noxious or offensive emissions.

- d) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

In compliance with Planning Code Section 138.1, the Project includes the required street trees, as specified by the Department of Public Works. In addition, the Project includes streetscape elements, including new concrete sidewalks, linear planters along the street edge, new street trees,

bicycle parking spaces, and corner bulb-outs. The Department finds that these improvements would improve the public realm.

3. Such use or feature as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code, and is seeking exceptions under the Large Project Authorization to address the Planning Code requirements for: 1) rear yard (Planning Code Section 134); 2) ground floor ceiling height for non-residential uses (Planning Code Section 145.1); 3) off-street freight loading (Planning Code Section 152.1); 4) horizontal mass reduction (Planning Code Section 270.1); and, 5) flexible units-accessory use provisions for dwelling units (Planning Code Sections 329(d)(10) and 803.3(b)(1)(c). Overall, the Project is consistent with objectives and policies of the General Plan (See Below).

4. Such use or feature as proposed will provide development that is in conformity with the stated purpose of the applicable Use District.

The Project is consistent with the intent and requirements of the UMU (Urban Mixed-Use) Zoning District. The Project includes new residential units, ground floor commercial space, and PDR use, which are principally permitted within the UMU Zoning District.

8. **Planning Code Section 317** establishes criteria for the Planning Commission to consider when reviewing applications to demolish or convert Residential Buildings. On balance, the Project does comply with said criteria in that:

- i. whether the property is free of a history of serious, continuing Code violations;

Project Meets Criterion.

Based upon a review of records with the Department of Building Inspection (DBI) and the San Francisco Planning Department, no active code violations are on file for any of the three existing properties.

- ii. whether the housing has been maintained in a decent, safe, and sanitary condition;

Project Meets Criterion.

The existing three residences have been maintained in a decent, safe and sanitary condition.

- iii. whether the property is an "historical resource" under CEQA;

Project Meets Criterion.

The existing buildings are not considered to be historic resource under CEQA. See Case No. 2013.0677E for additional information on the project's historic status.

- iv. whether the removal of the resource will have a substantial adverse impact under CEQA;

Project Meets Criterion.

The removal of the three residences would not result in a substantial adverse impact under CEQA.

- v. whether the project converts rental housing to other forms of tenure or occupancy;

Project Meets Criterion.

The Project removes two owner-occupied dwelling units and one rental unit, and replaces them with 199 dwelling units for rent. At 2000 Bryant Street, only one rental dwelling unit exists on the project site.

- vi. whether the project removes rental units subject to the Residential Rent Stabilization and Arbitration Ordinance or affordable housing;

Project Does Not Meet Criterion.

The Project removes 2028 Bryant Street, which currently has two dwelling units, and 2000 Bryant Street, which has one dwelling unit. These three units are subject to the Residential Rent Stabilization and Arbitration Ordinance. Three of the 199 replacement units would be on-site affordable dwelling units for rent.

- vii. whether the project conserves existing housing to preserve cultural and economic neighborhood diversity;

Project Does Not Meet Criterion.

Although the Project would demolish three existing housing units, the Project would provide 199 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. Further, the Project would provide 3 on-site affordable housing units for rent and will dedicate a portion of the project site to MOHCD, who will develop the land with affordable housing. The Project is expressive in design, and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

- viii. whether the project conserves neighborhood character to preserve neighborhood cultural and economic diversity;

Project Meets Criterion.

The Project does conserve neighborhood character, since the new design is expressive and evokes the area's industrial heritage. The Project relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

- ix. whether the project protects the relative affordability of existing housing;

Project Does Not Meet Criterion.

The Project demolishes three existing vacant residences on the project site, and constructs 199 new dwelling units, including 3 on-site affordable units; therefore, the existing housing would be removed from the project site.

- x. whether the project increases the number of permanently affordable units as governed by Section 415;

Project Meets Criterion.

The Project includes 3 on-site BMR units and would dedicate land to MOHCD for the purpose of constructing new affordable housing. Based upon initial feasibility studies, up to 136 new affordable units could be constructed on the dedicated land.

- xi. whether the project locates in-fill housing on appropriate sites in established neighborhoods;

Project Meets Criterion.

The Project provides infill new construction of 199 dwelling units on the project site.

- xii. whether the project increases the number of family-sized units on-site;

Project Meets Criterion.

The Project increases the number of family-sized units on the project site. The Project incorporates 80 two-bedroom units.

- xiii. whether the project creates new supportive housing;

Project Does Not Meet Criterion.

The Project does not include new supportive housing.

- xiv. whether the project is of superb architectural and urban design, meeting all relevant design guidelines, to enhance existing neighborhood character;

Project Meets Criterion.

The Project successfully draws from these older industrial properties in a contemporary manner, and provides a design, which incorporates finer detailing on the exterior, as evident in the material palette, cornice, window surrounds and storefront. The Project provides for a unique and contemporary expression along the street, which draws from the mixed-industrial character within the surrounding area, while also referencing older architectural styles. The Project evokes a 19th century brick warehouse with a red brick exterior, terracotta tile, and wood storefront. Overall, the Project offers a high quality architectural treatment, which provides for unique and expressive architectural design that is consistent and compatible with the surrounding neighborhood.

- xv. whether the project increases the number of on-site Dwelling Units;

Project Meets Criterion.

The Project increases the number of on-site dwelling units from three to 199.

- xvi. whether the project increases the number of on-site bedrooms;

Project Meets Criterion.

The Project increases the number of on-site bedrooms.

- xvii. whether or not the replacement project would maximize density on the subject lot; and

Project Meets Criterion.

The Project maximizes the density on the subject lot.

- xviii. if replacing a building not subject to the Residential Rent Stabilization and Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling Units of a similar size and with the same number of bedrooms.

Project Meets Criterion.

The Project does replace the existing units with new dwelling units of a similar size with the same number of bedrooms.

9. **General Plan Compliance.** The General Plan Compliance Findings set forth in Motion No. 19658, Case No. 2013.0677X (Large Project Authorization, pursuant to Planning Code Section 329), apply to this Motion, and are incorporated herein as though fully set forth.

10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

Although the project site currently contains existing neighborhood-serving uses, including a restaurant and auto repair shop, the Project would assist in enhancing the larger neighborhood by providing new space for new neighborhood-serving uses and other retail opportunities. The Project improves the urban form of the neighborhood by constructing new ground floor retail and PDR uses. These new retail spaces will provide goods and services to area workers, residents and visitors, while creating new ownership and employment opportunities for residents. The Project would add new residents, visitors, and employees to the neighborhood, which would assist in strengthening nearby retail uses.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

Although the Project would demolish three existing housing units, the Project would provide 199 new dwelling units, thus resulting in an overall increase in the neighborhood housing stock. Further, the Project would provide 3 on-site affordable housing units for rent and will dedicate a portion of the project site to MOHCD, who will develop the land with affordable housing. The Project is expressive in design, and relates well to the scale and form of the surrounding neighborhood. For these reasons, the Project would protect and preserve the cultural and economic diversity of the neighborhood.

- C. That the City's supply of affordable housing be preserved and enhanced.

The Project will not displace any identified affordable housing units. The three existing units are vacant and not identified as affordable housing units. The Project will comply with the City's Inclusionary Housing Program, therefore increasing the stock of affordable housing units in the City.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The project site is served by nearby public transportation options. The Project is located within one block of bus lines for the 27-Bryant & within three blocks of the bus lines for the 22-Fillmore and 33-Stanyan. Future residents would be afforded proximity to bus line. The Project also provides off-street parking at the principally permitted amounts and sufficient bicycle parking for residents and their guests.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project does not include commercial office development. The Project provides new ground floor retail/trade shop use, PDR use and housing, which is a top priority in the City. The new retail/trade shop use will provide new opportunity for the service sector.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

Currently, the project site does not contain any City Landmarks or historic buildings.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will not affect the City's parks or open space or their access to sunlight and vistas. A shadow study was completed and concluded that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission.

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
12. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

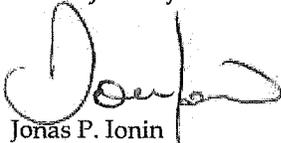
That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2013.0677CUA**, under Planning Code Sections 303 and 317, to demolish three residential units at the project site associated with 2000-2070 Bryant Street, subject to the following conditions attached hereto as "EXHIBIT A" which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 17820. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94012.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives NOTICE that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on June 2, 2016.



Jonas P. Ionin
Commission Secretary

AYES: Antonini, Fong, Hillis, Johnson and Richards

NAYS: Moore and Wu

ABSENT: None

ADOPTED: June 2, 2016

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow the demolition of three residential units located at 2000 & 2028 Bryant Streets, pursuant to Planning Code Sections 303 and 317, within the UMU Zoning District and a 68-X Height and Bulk District; in general conformance with plans, dated April 29, 2016, and stamped "EXHIBIT B" included in the docket for Case No. 2013.0677CUA and subject to conditions of approval reviewed and approved by the Commission on June 2, 2016 under Motion No. 19657. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

COMPLIANCE WITH OTHER REQUIREMENTS

The Conditions of Approval set forth in Exhibit A of Motion No. 19658, Case No. 2013.0677X (Large Project Authorization under Planning Code Section 329) apply to this approval, and are incorporated herein as though fully set forth, except as modified herein.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on June 2, 2016 under Motion No. 19657.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19657 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Diligent Pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Additional Project Authorization. The Project Sponsor must obtain a project authorization under Planning Code Section 329 for a Large Project Authorization with modifications to the requirements for rear yard, open space, permitted obstructions over the street, ground floor ceiling height, off-street loading and accessory use provisions for dwelling units, and satisfy all the conditions thereof. The

Motion No. 19657
Hearing Date: June 2, 2016

CASE NO 2013.0677CUA
2000-2070 Bryant Street

conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Mitigation Measures. Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2013.0986E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

BRYANT STREET HOLDINGS LLC, a Delaware limited liability company
as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,
as Buyer

For the purchase and sale of

2070 Bryant Street,
San Francisco, California

_____, 2017

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EXHIBIT G	– Special Notice
EXHIBIT H	– Remediation and Demolition Funds Agreement
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EXHIBIT K	– Designation Agreement

SCHEDULE 1 – Seller’s Documents

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE
(2070 Bryant Street, San Francisco)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this “**Agreement**”) dated for reference purposes only as of _____, 2017 is by and between BRYANT STREET HOLDINGS LLC, a Delaware limited liability company (“**Seller**”), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**Buyer**” or “**City**”).

RECITALS

This Agreement is made with reference to the following:

- A. Seller is the owner of certain real property located at 2000-2070 Bryant Street in San Francisco (the “**Principal Site**”).
- B. On June 2, 2016, pursuant to Planning Commission Motion No. 19658 (the “**Planning Approval**”), the San Francisco Planning Commission approved Seller’s predecessor-in-interest’s development application for construction of a new six-story mixed use building consisting of approximately 199 dwelling units, up to 7,007 square feet of ground floor retail, and approximately 12,000 square feet of PDR use (the “**Project**”).
- C. The San Francisco Planning Code (“**Planning Code**”) requires market rate residential projects to comply with certain Residential Inclusionary Housing rules designed to create affordable housing in San Francisco (“**Affordability Requirement**”). Seller desires to satisfy the Affordability Requirement for the Project through a land dedication pursuant to Planning Code Section 419.5(a)(2)(A)-(J) (“**Land Dedication Option**”).
- D. Seller and City are entering into this Agreement in order to facilitate satisfaction of the Project of the Affordability Requirement by means of the Land Dedication Option through a transfer to City of the Property (as defined below).
- E. By letter dated May 12, 2016, from the Mayor’s Office of Housing and Community Development (“**MOHCD**”), the City verified the Property as acceptable for dedication pursuant to the Land Dedication Option described above, subject to satisfaction of certain conditions set forth therein.

IN CONSIDERATION of the payment of the nonrefundable sum of One Dollar (\$1.00) by City, the receipt of which is hereby acknowledged by Seller, and the respective agreements contained hereinbelow, 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 and accept conveyance from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately nineteen thousand (19,000) square feet of land, located in the City and County of San Francisco, being a portion of Lot 021 on Block 4022, and more particularly described in Exhibit A attached hereto (the “**Land**”);

(b) subject to Seller’s performance of the Demolition Work as described in Section 5.6(e) below, any improvements remaining on the Land; and

(c) any and all rights, privileges, and easements incidental or appurtenant to the Land 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 streets adjoining or servicing the Land (collectively, the “**Appurtenances**”).

All of the items referred to in Subsections (a) and (b) above are collectively referred to as the “**Property**.” Seller and City hereby acknowledge and agree that the plat and legal description attached as Exhibit A may be adjusted prior to the Closing Date (as defined herein) as necessary to conform to the legal description for the Land approved per the Lot Line Adjustment (as defined herein).

1.2 Seller’s Rights to the Property

Seller and City hereby acknowledge that this Agreement is entered into for the purpose of satisfying the Affordability Requirements for the Project through exercise by Seller of the Land Dedication Option. However, nothing in this Agreement is intended to compel Seller to pursue the Land Dedication Option in order to satisfy the Affordability Requirement for the Project, and if for any reason Seller, in its sole discretion, elects to terminate this Agreement or the Closing under this Agreement does not occur, Seller may, nonetheless, satisfy said Affordability Requirement through the alternative options more specifically set forth in the Planning Approvals.

2. PURCHASE PRICE

2.1 Purchase Price

The total purchase price for the Property as consideration for Seller's satisfaction of a portion of the Affordability Requirement is One Dollar (\$1.00) (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 and/or Seller hereunder.

2.3 Funds

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

3. TITLE TO THE PROPERTY

3.1 Conveyance of Title to the Property

At the Closing Seller shall convey to City marketable and insurable fee simple title to the Land and the Appurtenances, 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]), and City shall accept such conveyance.

3.2 Title Insurance

(a) Delivery of title in accordance with the preceding Section shall be evidenced by the issuance by First American Title Company (the "**Title Company**") to City of an ALTA extended coverage owner's policy of title insurance substantially in the form attached hereto as Exhibit C (the "**Proforma Policy**"), with the exceptions shown in the Proforma Policy including the Special Notice in the form of Exhibit G and the Declaration of No-Build Easement in the form of Exhibit F, plus those matters shown on the Survey and any matters created by, through or under City and any New Title Objection that is approved or deemed approved by City pursuant to Paragraph (b) below (the "**Accepted Conditions of Title**").

(b) If, prior to Closing, an update of the status of title to the Property discloses any materially adverse matter not set forth on the Proforma Policy, then no later than ten (10) business days following receipt of such update, City shall have the right to object to any such matter that would have a material adverse impact on future development of an affordable housing project on the Property by written notice to Seller (each, a "**New Title Objection**") and Seller shall have up to sixty (60) days after receipt of City's notice to cure or attempt to cure such New Title Objection and the Closing Date shall be extended to allow for the stated time period to run; provided, however, notwithstanding the foregoing, Seller shall have no obligation whatsoever to cure or

attempt to cure any New Title Objection except that Seller shall be obligated, at Closing, to cause Title Company to remove any and all deeds of trust, mortgages and other monetary liens and encumbrances (provided that, at Seller's cost and expense, Seller may bond around any New Title Objection to Title Company's reasonable satisfaction or cause Title Company to endorse over such matter to City's reasonable satisfaction upon which, such matter shall be deemed cured). If a New Title Objection is not cured by Seller prior to the Closing Date, City shall, as its sole and exclusive remedy, waiving all other remedies, either: (x) terminate this Agreement upon written notice thereof to Seller, at which time the parties shall have no further rights, liabilities, or obligations under this Agreement (other than those that expressly survive termination including, without limitation, Seller's obligation to satisfy the Affordability Requirement); or (y) waive the uncured New Title Objection by proceeding to Closing and thereby be deemed to have approved the title as shown in the Proforma Policy as updated to include the New Title Objection and such uncured New Title Objection shall become an "Accepted Condition of Title."

3.3 Survey

No later than thirty (30) days after the recordation of the final map in connection with the Lot Line Adjustment or, at Seller's option, after completion of the Demolition Work (as defined below), Seller shall deliver to City an ALTA Survey of the Land (the "**Survey**"). By written notice to Seller, City shall have fifteen (15) business days following City's receipt of the Survey to object to any encroachment of permanent improvements (i.e., not temporary fences) on adjacent property not owned by City that encroach more than twelve (12) inches over the Property (each, a "**Survey Objection**"). A Survey Objection cannot consist of a condition that is created in connection with the Demolition Work. If City provides a timely Survey Objection, Seller shall work in good faith to cure such Survey Objection as soon as reasonably practicable thereafter and the Closing shall be extended accordingly to allow for such cure.

4. ENTRY

4.1 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 applicable City's Conditions Precedent as set forth in Section 5.1, subject to the terms of this Section 4.1. Buyer rights under this Section shall not include invasive or destructive activities such as the drilling of test wells and the taking of soil borings. 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. Buyer's obligations under this Section 4.1 shall survive the termination of this Agreement or the Closing, as applicable, provided that Seller must give notice of any claim it may have against City under such indemnity (i) within six (6) months of such termination if the claim is brought by a third party against Seller or (ii) within three (3) months of such termination or the Closing Date, as applicable, if the claim involves damage to Seller's Property or any other claim not brought by a third party against the Seller. Provided that Buyer has complied with the insurance requirements in Section 4.3 and gives Seller at least two

(2) business days prior written notice (e-mail notice alone being sufficient for such purposes if given to the Seller's notice parties identified in Section 11.1 below and also given to Linsey Perlov at linsey@podell.com and Ariel Pasch at ariel@podell.com), and subject to the access and safety requirements and limitations imposed by any contractor retained by Seller to perform the Demolition Work, Seller shall allow Buyer and authorized representatives of Buyer reasonable access, at reasonable times, to the Property for the purposes of inspecting the Property. In performing its examinations and inspections of the Property, Buyer shall not interfere with any demolition or other activities on the Property. Seller shall have the right at all times to have a representative of Seller accompany any of Buyer or Buyer's Agents while such persons are on the Property. Buyer's breach of this Section 4.1 (including any that is not cured within two (2) business days of its receipt of Seller's written notice) shall constitute a material breach and default by Buyer of this Agreement (provided, however, that no such notice and cure period shall apply to any breach of this Section 4.1 that creates an immediate risk of damage to persons or property), and, in such event, Seller may terminate Buyer's rights to access the Property pursuant to this Section 4.1 until such default is cured and pursue an action to recover damages resulting from such breach. All investigations and inspections shall be performed in compliance with this Article 4 and all applicable laws and governmental and regulations. Upon termination of this Agreement by either party due to a failure of a condition, Buyer shall deliver to Seller, without representation or liability for accuracy or suitability, a copy of any third-party reports related to the condition of the Property and any survey of the Land obtained by Buyer.

4.2 Indemnification.

Notwithstanding anything in this Agreement to the contrary, any entry upon, inspection, or investigation of the Property by Buyer or its Agents (as defined in Section 11.8) shall be performed at the sole risk and expense of Buyer, and Buyer shall be solely and absolutely responsible for the acts or omissions of any of its Agents. Buyer shall protect, indemnify, defend and hold Seller, its affiliates and successors harmless from and against any and all losses, damages, liabilities, third party claims, causes of action, judgments, costs and legal or other expenses (including, but not limited to, reasonable attorneys' fees and costs) (collectively, "Access Claims") suffered or incurred by any or all of such indemnified parties to the extent resulting from any act or omission of Buyer or its Agents in connection with: (i) Buyer's inspection or investigations of the Property, or (ii) entry upon the Property by Buyer or its Agents, 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 Access Claims resulting solely 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 and not from breach of Buyer's obligations related to its and its Agents' activities on the Property. Buyer's obligations under this Section 4.2 shall survive the termination of this Agreement or the Closing, as the case may be, notwithstanding any other provisions herein to the contrary. Buyer shall, at all times, keep the Property free and clear of any mechanics', materialman's or design professional's claims or liens resulting from its investigations of the Property.

4.3 Insurance.

(a) Prior to any entry onto the Property by Buyer or its Agents, any time prior to Closing, Buyer and any of its Agents entering on the Land shall have and maintain in effect for at least twenty four (24) months after the date of this Agreement, the following insurance:

(i) Commercial general liability insurance with a limit of at least \$2,000,000.00 per occurrence per location or per project;

(ii) worker's compensation insurance as required by law and employer's liability insurance with limits not less than \$1,000,000; and

(iii) business automobile liability insurance with a limit of at least \$1,000,000 covering all owned, hired and non-owned vehicles.

(iv) In addition, any Agent engaged by Buyer to perform invasive or destructive testing of, on or under the Property or any other work that involves the handling of hazardous materials, may not enter on the Land unless such Agent provide evidence satisfactory to Seller (and such evidence shall consist of a copy of the declarations pages of the policy, relevant portions of the policy and endorsements) that such Agent has in effect Contractors Pollution Liability Insurance with limits not less than Five Million Dollars (\$5,000,000) annual aggregate, which insurance such Agent shall maintain in full force and effect for no less than two years after Buyer's Agent's entry onto the Property.

(b) Buyer is self-insured and self-funded for the insurance programs described in Sections 4.3(a). All insurance required to be provided by Buyer's Agents shall:

(i) be issued by insurance carriers rated A-/VIII or better by Best's, which are licensed to do business in the State of California;

(ii) contain an "insured contract" provision covering Buyer's Agent's indemnity obligations as set forth in this Agreement;

(iii) name Seller and its members and their respective members, managers, directors, officers, agents and employees as additional insureds (collectively, the "Additional Insureds"), pursuant to policy provisions or endorsements in the form of ISO CG 20 26 11 85, or a combination of forms CG 20 10 10 01 and CG 20 37 10 01, or equivalent. There shall not be any additional provision that limits the insurer's obligation to provide defense or indemnification;

(iv) with respect to the Additional Insureds, be primary and non-contributory for both ongoing and completed operations with any insurance maintained by any Additional Insureds;

(v) apply separately to each insured and Additional Insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability;

(vi) to the extent permitted by law, waive all rights of subrogation against the Additional Insureds;

(vii) provide that the unintentional failure of Buyer's Agents, as applicable, or other named insured or additional insured or loss payee, to disclose all hazards existing at the inception of the policy shall not be a basis for denial of any coverage afforded by such policy, or words of similar import, and not include any provision limiting the insurer's obligations with respect to any insured, additional insured or loss payee due to any violation by any other unaffiliated additional insureds or loss payees of warranties, declarations or conditions of the policy or any application therefor by any other insured, additional insured or loss payee.

5. CONDITIONS TO CLOSING

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) As of the Closing Date, Seller shall not be in default in the performance of any covenant or agreement to be performed by Seller under this Agreement following notice of such default from City and Seller's failure to cure such default within five (5) business days or such longer period as may be provided in 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 have delivered to City a certificate (the "**Date-Down 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; provided that Seller's representation regarding litigation in Section 8.1(d) shall be deemed true and correct notwithstanding any litigation challenging this Agreement or the transaction contemplated herein or governmental actions related to Seller's Project that are threatened or filed following the date this Agreement is executed by Seller and delivered to City.

(b) Subject to Section 5.1(a) above, as of the Closing Date, there shall be no litigation or administrative agency or other governmental proceeding, pending or threatened, which challenges City's acceptance of the Deed.

(c) Prior to the Closing Date, Seller, at its sole cost and expense, shall have demolished the existing improvements on the Property as described in the drawings and specifications attached as or listed on Exhibit E hereto, including removal of all demolition-related debris (the "**Demolition Documents**"), and as of the Closing Date, Seller shall have delivered the Property vacant of tenants (the "**Demolition Work**"). Seller must perform the Demolition Work in accordance with all applicable federal, state and local laws, including but not limited to all Environmental Laws (as defined in Section 8.1 herein). Prior to commencement of the Demolition Work, Seller shall have delivered to City evidence that Seller has obtained at its sole expense a Pollution Policy for the Property in a form previously approved by City (the "**Pollution Policy**"), which also names City as an additional insured. Seller shall

notify City upon completion of the Demolition Work, and City and its Agents shall have the right to inspect the Property. This Buyer's Condition Precedent shall be deemed satisfied upon the delivery to the addressees for notice to City as set forth in Section 11.1 below of a Special Inspection Final Compliance Report issued by the Special Inspector (identified on the demolition permit) stating that the observed demolition work was performed in accordance with the approved plans, specifications, and applicable workmanship provisions of the San Francisco Building Code and following the issuance of such report and the payment by Seller of the amount described in paragraph (e) below, Seller shall have no further obligations or liability under this Agreement related to demolition of the existing improvements.

(d) On or before the Closing Date, Seller shall have deposited the Remediation and Demolition Funds into the Remediation Escrow Account pursuant to the Remediation and Demolition Funds Agreement and Escrow Instructions as further described in Section 8.5 below.

(e) Title Company shall be committed at the Closing to issue to City the Title Policy as provided in Section 3.2 [Title Insurance].

(f) 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 transaction, contemplated hereby ("**City Resolution**"). This condition may not be waived by City.

(g) Seller shall have delivered the items described in Section 6.3 [Seller's Delivery of Documents and Funds] and Section 6.5 [Other Documents] on or before the Closing.

(h) Prior to the Closing Date, the following must occur with respect to the creation of the Property as a separate legal parcel: (i) Seller must complete the subdivision of the Principal Site to create the Property as a separate legal parcel and cause the final parcel map to be recorded (collectively, the "**Lot Line Adjustment**"); and (ii) City must approve of the Survey, pursuant to the terms of Section 3.3 above. These conditions may not be waived by City.

The City's Conditions Precedent contained in the foregoing subsections (a) through (j) 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 City's Condition Precedent in question and proceed with the purchase and accept title to the Property or, in the alternative, terminate this Agreement. In addition, the Closing Date may be extended, at City's option, by notice given at least two (2) business days before the scheduled Closing Date, for a reasonable period of time specified by City, but not in excess of ninety (90) days, 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.

5.2 Failure or Satisfaction of City's Conditions

(a) In the event the sale and purchase of the Property is not consummated because of a default under this Agreement on the part of Seller, or if a City's Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act

or negligent omission and failed to cure it within five (5) business days following notice from City or such longer period as reasonably may be required, City may, at its sole election, either **(1)** terminate this Agreement by delivery of notice of termination to Seller and Escrow Agent, whereupon Seller shall reimburse City any reasonable inspection fees incurred by City and any other reasonable out-of-pocket expenses incurred by City in connection with the performance of its due diligence review of the Property, but not more than an aggregate amount of One Hundred Thousand Dollars (\$100,000), and neither party shall have any further rights or obligations under this Agreement that have not arisen or accrued prior to such termination, or **(2)** continue this Agreement pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred hereunder.

(b) Within five (5) business days following Seller's request, City, acting through the Director of Real Estate, shall give notice to Seller either confirming that City's Conditions Precedent have been satisfied or setting forth, in reasonable detail, the actions that remain to be taken or events that have not yet occurred such that the City's Conditions Precedent remain unsatisfied. Notwithstanding anything to the contrary contained in this Section 5.2, City's acknowledgement of the satisfaction or waiver of City's Conditions Precedent shall be deemed given if:

(i) the first correspondence from Seller to City requesting such approval or consent is in an envelope marked "PRIORITY" and contains a bold-faced, conspicuous (in a font size that is not less than fourteen (14)) legend at the top of the first page thereof stating that "FIRST NOTICE: THIS IS A REQUEST FOR ACKNOWLEDGMENT OF THE SATISFACTION OF CITY CONDITIONS PRECEDENT UNDER THE PURCHASE AND SALE AGREEMENT FOR 2070 BRYANT STREET, FAILURE TO RESPOND TO THIS REQUEST WITHIN TEN BUSINESS DAYS MAY RESULT IN THE ACKNOWLEDGMENT BEING DEEMED GIVEN", and is accompanied by the information and documents required above, and any other information reasonably requested by City in writing prior to the expiration of such ten (10) business day period in order to adequately review the same has been delivered; and

(ii) if City fails to respond or to deny such request for approval in writing within the first five (5) business days of such ten (10) business day period, a second notice requesting approval is delivered to City from Seller in an envelope marked "PRIORITY" containing a bold-faced, conspicuous (in a font size that is not less than fourteen(14)) legend at the top of the first page thereof stating that "SECOND AND FINAL NOTICE: THIS IS A REQUEST FOR ACKNOWLEDGMENT OF THE SATISFACTION OF CITY CONDITIONS PRECEDENT UNDER THE PURCHASE AND SALE AGREEMENT FOR 2070 BRYANT STREET, FAILURE TO RESPOND TO THIS REQUEST WITHIN FIVE DAYS MAY RESULT IN THE ACKNOWLEDGMENT BEING DEEMED GIVEN" and City fails to provide a substantive response to such request for acknowledgment within such final five (5) business day period.

5.3 Seller's Conditions to Closing

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

(a) As of the Closing, City shall have performed its obligations under this Agreement to be performed on or before the Closing.

(b) Before the Closing, the final Lot Line Adjustment plat and related deeds shall have been approved by the City and have been recorded. This condition may not be waived by Seller.

(c) Before the Closing, City's Mayor and Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution approving, adopting and authorizing this Agreement and the transaction contemplated hereby.

The Seller's Conditions Precedent contained in the foregoing subsections (a) through (c) are solely for the benefit of Seller. If any Seller's Condition Precedent is not satisfied, Seller shall have the right in its sole discretion either to waive in writing the Seller's Condition Precedent in question and proceed with the Closing or, in the alternative, terminate this Agreement by notice to City and Escrow Agent, whereupon neither party shall have any further rights or obligations under this Agreement that have not arisen or accrued prior to such termination.

5.4 Cooperation

City and Seller shall cooperate and do all acts as may be reasonably requested by the other party with regard to the fulfillment of any Conditions Precedent including, without limitation, execution of any documents, applications or permits, 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, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

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 2755 Campus Dr. Suite 125, San Mateo, CA 94403, after the date all City’s and Seller’s Conditions Precedent have been satisfied or waived, on a date designated by Seller not less than thirty (30) days following notice from Seller to City or on such earlier date as City and Seller may mutually agree (the “Closing Date”), subject to the provisions of Article 5 [Conditions Precedent]. If the Closing has not occurred by December 31, 2017, then Seller may terminate this Agreement by notice to City. If the Closing has not occurred by December 31, 2018, then City may terminate this Agreement by notice to Seller given within ten (10) days following such date. The Closing Date may not be extended without 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 under the terms of this Agreement.

6.3 Seller’s Delivery of Documents and Funds

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

- (a) a duly executed and acknowledged Deed;
- (b) a duly executed and acknowledged Declaration of No-Build Easement in the form of Exhibit F, duly executed and acknowledged by Seller;
- (c) a Notice of Special Restrictions in the form of Exhibit G, duly executed and acknowledged by Seller;
- (d) three (3) duly executed counterparts of a Remediation and Demolition Funds Agreement in the form of Exhibit H, duly executed on behalf of Seller;
- (e) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit J (the “Affidavit”);
- (f) 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 Section 18662 of the State Tax Code;
- (g) such resolutions, authorizations, or other limited liability company documents or agreements relating to Seller and its members 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;

(h) immediately available funds in the amount of the Remediation and Demolition Funds as set forth in the Remediation and Demolition Funds Agreement;

(i) closing statement in form and content satisfactory to Seller;

(j) the duly executed Date-Down Certificate as required by Section 5.4(a) hereof;

(k) evidence of the full force and effect of the Pollution Policy;

(l) originals or copies of the Seller's Documents (as defined in Subsection 8.1(a) below); and

(m) closing statement of prorations and adjustments as may be required by this Agreement, prepared by Seller and submitted to City at least three (3) business days prior to the Closing Date, in form and content satisfactory to City and Seller.

6.4 City's Delivery of Documents and Funds

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

(a) a Certificate of Acceptance of the Deed executed by City's Director of Property, and acknowledged;

(b) three (3) duly executed counterparts of the Remediation and Demolition Funds Agreement; and

(c) 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 K and, in any event, shall comply with the requirements of Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder.

6.6 Close of Escrow

The Title Company shall close the Escrow by:

- (a) recording the Grant Deed and the Certificate of Acceptance, the Notice of Special Restrictions, the Open Space Declaration in the San Francisco Official Records;
- (b) issuing the Title Policy to Buyer;
- (c) delivering to Buyer counterparts of the Remediation and Demolition Funds Agreement, executed by Seller and by the Title Company, the Affidavit and the Form 593-C;
- (d) retaining the Remediation and Demolition Funds in the Escrow pursuant to the Remediation and Demolition Funds Agreement;
- (e) delivering to Seller a counterparts of the Remediation Demolition Funds Agreement executed by City and by the Title Company;
- (f) depositing the Purchase Price into Seller's account.

7. EXPENSES AND TAXES

7.1 Apportionments

Seller shall be responsible for utilities, liability insurance, security and other costs related to the maintenance and operation of the Property incurred until the date for the Closing as designated by Seller in its notice to City pursuant to Section 6.2.

7.2 Closing Costs

Seller shall pay the cost of the Survey, the premium for the Title Policy, 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 borne by Seller.

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 and assessments 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.

7.4 Post-Closing Reconciliation

If any of the foregoing prorations cannot be calculated accurately on the Closing Date, then they shall be calculated as soon after the Closing Date as feasible. Either party owing the other party a sum of money based on such subsequent prorations shall promptly pay such sum to the other party.

7.5 Survival

The provisions of this Article 7 [Expenses and Taxes] 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) In connection with City's investigation of the Property, Seller heretofore made available to City the documents listed on Schedule 1 attached hereto (collectively, the "**Seller's Documents**"). To Seller's knowledge, the Seller's Documents are true, correct and complete copies of such documents. "**Seller's knowledge**" means the knowledge of Nick Podell and Linsey Perlov without personal liability and without the requirement of independent investigation. Seller discloses that, as described in some of Seller's Documents, there are Hazardous Materials on or beneath the surface of the Land and in the improvements presently existing on the Property, and such Hazardous Materials are or may be on or beneath the Land in violation of any applicable law or regulation of any local, state or federal government or agency thereof as may be disclosed in the Seller's Documents.

(b) No document or instrument prepared by Seller and 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; provided that Seller makes no representation regarding the accuracy of any cost estimate provided to the City by or on behalf of Seller, with the expectation that City will obtain independent peer review(s) of such estimates.

(c) Seller does not have knowledge of any condemnation, instituted by any governmental or quasi-governmental agency other than City, which could materially and detrimentally affect the use of the Property for rental multi-family residential use.

(d) To Seller's 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 other than as set forth in instruments recorded in the official records, there are no easements, rights of way, permits, licenses or other forms of written agreement with Seller which afford third parties the right to traverse any portion of the Property to gain access to other real property. To Seller's knowledge, there are no disputes between Seller and other parties 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.

(e) There is no litigation pending in which Seller has been served or, to Seller's knowledge, threatened in writing, against Seller 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 ability of Seller to perform its obligations under this Agreement.

(f) 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.

(g) Seller is a limited liability company duly organized and validly existing under the laws of the State of Delaware 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.

(h) 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.

(i) Seller warrants that the improvements remaining adjacent to Florida Street upon completion of the Demolition Work will be adequate to retain the adjacent properties, including sidewalks so that they do not collapse onto the Property until such time as such improvements are removed or are damaged by third parties or events of force majeure.

(j) Seller hereby represents and warrants to City that, to Seller's knowledge, the following statements are true and correct and will be true and correct as of the Closing Date: (i) except as may be shown in the Seller's Documents listed in **Schedule 1**, the Property is not in violation of any Environmental Laws; (ii) except as may be shown in the Seller's Documents listed in **Schedule 1**, there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the Property; (iii) except as may be shown in the Seller's Documents listed in **Schedule 1**, 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 the Seller's Documents listed in **Schedule 1**, 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; (iv) except as may be shown in the Seller's Documents listed in **Schedule 1**, the Property does not consist of any landfill or of any building materials that contain Hazardous Material; and (v) except as may be shown in the Seller's Documents listed in **Schedule 1**, 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 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:

“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.

“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 structure of the Improvements 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.

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

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

8.2 Representations and Warranties of City

City is a municipal corporation, 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. Subject to Section 11.19, this Agreement and all documents executed by City which are to be delivered to Seller at the Closing are, or at the Closing will be, duly authorized, executed and delivered by City, are, or at the Closing will be, legal, valid and binding obligations of City, enforceable against City in accordance with their respective terms, are, and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which City is a party.

[SECTION 8.3 ON FOLLOWING PAGE]

8.3 "AS IS" PURCHASE

(a) SUBJECT TO SECTION 8.1, CITY SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND CITY IS PURCHASING SELLER'S INTEREST IN THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS. CITY ACKNOWLEDGES AND AGREES THAT EXCEPT AS EXPRESSLY SET FORTH IN SECTION 8.1 OF THIS AGREEMENT AND IN SELLER'S CLOSING DOCUMENTS, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, CONCERNING OR WITH RESPECT TO THE PROPERTY INCLUDING, WITHOUT LIMITATION, (A) THE NATURE, QUALITY OR PHYSICAL CONDITION OF THE PROPERTY, (B) THE WATER, SOIL AND GEOLOGY OF THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH CITY MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION THEREOVER, AND (E) ANY MATTER REGARDING HAZARDOUS MATERIALS, AS HEREINAFTER DEFINED, INCLUDING AS SET FORTH IN THE ENVIRONMENTAL DISCLOSURES. EXCEPT FOR SELLER'S REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 8.1, CITY IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND NOT ON ANY OTHER REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE PROPERTY, ITS SUITABILITY FOR CITY'S INTENDED USES, ANY CONDITIONS AFFECTING TITLE, OR ANY OF THE PROPERTY CONDITIONS. SELLER DOES NOT GUARANTEE THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL OR OTHER CONDITIONS OF THE PROPERTY, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE PROPERTY OR ITS USE WITH ANY STATUTE, ORDINANCE OR REGULATION, INCLUDING BUT NOT LIMITED TO THE SUBDIVISION MAP ACT. IT IS CITY'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS RELATING TO THE PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

(b) CITY REPRESENTS TO SELLER THAT CITY HAS CONDUCTED, OR WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PROPERTY, AS CITY DEEMS NECESSARY OR DESIRABLE TO SATISFY ITSELF AS TO ANY MATTER RELATING TO THE PROPERTY AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLER, SELLER'S AGENTS, EMPLOYEES OR THIRD PARTIES REPRESENTING OR PURPORTING TO REPRESENT SELLER, WITH RESPECT THERETO. UPON CLOSING, CITY SHALL ASSUME THE RISK THAT ADVERSE MATTERS REGARDING THE PROPERTY MAY NOT HAVE BEEN REVEALED BY CITY'S INVESTIGATIONS,

AND CITY, UPON CLOSING, SHALL BE DEEMED, ON BEHALF OF ITSELF AND ON BEHALF OF ITS TRANSFEREES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO WAIVE, RELINQUISH, RELEASE AND FOREVER DISCHARGE SELLER AND SELLER'S AFFILIATES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, BY REASON OF OR ARISING OUT OF THE PROPERTY, WHETHER PURSUANT TO STATUTES IN EFFECT IN THE STATE OF CALIFORNIA OR ANY OTHER FEDERAL, STATE, OR LOCAL ENVIRONMENTAL OR HEALTH AND SAFETY LAW OR REGULATION. THIS RELEASE INCLUDES CLAIMS OF WHICH CITY IS PRESENTLY UNAWARE AND OF WHICH CITY DOES NOT PRESENTLY SUSPECT TO EXIST WHICH, IF KNOWN BY CITY, WOULD MATERIALLY AFFECT CITY'S RELEASE OF SELLER.

(c) NOTHING IN THIS SECTION 8.3 SHALL BE DEEMED TO RELEASE SELLER FROM (A) SELLER'S INDEMNIFICATION OBLIGATION SET FORTH IN SECTION 8.4 BELOW, OR (B) ANY CLAIM OR CAUSE OF ACTION BY CITY AGAINST SELLER (I) FOR A BREACH OF A REPRESENTATION OR WARRANTY BY SELLER CONTAINED IN THIS AGREEMENT OR IN SELLER'S CLOSING DOCUMENTS, OR (II) FOR FRAUD.

(d) In connection with the foregoing release, City expressly waives the benefits of Section 1542 of the California Civil Code, which provides 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 TO HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

BY PLACING ITS INITIALS BELOW, CITY SPECIFICALLY ACKNOWLEDGES AND CONFIRMS THE VALIDITY OF THE RELEASES MADE ABOVE AND THE FACT THAT CITY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THE ABOVE RELEASES.

City's Initials

MP

Seller's Initials

AND CITY, UPON CLOSING, SHALL BE DEEMED, ON BEHALF OF ITSELF AND ON BEHALF OF ITS TRANSFEREES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO WAIVE, RELINQUISH, RELEASE AND FOREVER DISCHARGE SELLER AND SELLER'S AFFILIATES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, BY REASON OF OR ARISING OUT OF THE PROPERTY, WHETHER PURSUANT TO STATUTES IN EFFECT IN THE STATE OF CALIFORNIA OR ANY OTHER FEDERAL, STATE, OR LOCAL ENVIRONMENTAL OR HEALTH AND SAFETY LAW OR REGULATION. THIS RELEASE INCLUDES CLAIMS OF WHICH CITY IS PRESENTLY UNAWARE AND OF WHICH CITY DOES NOT PRESENTLY SUSPECT TO EXIST WHICH, IF KNOWN BY CITY, WOULD MATERIALLY AFFECT CITY'S RELEASE OF SELLER.

(c) NOTHING IN THIS SECTION 8.3 SHALL BE DEEMED TO RELEASE SELLER FROM (A) SELLER'S INDEMNIFICATION OBLIGATION SET FORTH IN SECTION 8.4 BELOW, OR (B) ANY CLAIM OR CAUSE OF ACTION BY CITY AGAINST SELLER (I) FOR A BREACH OF A REPRESENTATION OR WARRANTY BY SELLER CONTAINED IN THIS AGREEMENT OR IN SELLER'S CLOSING DOCUMENTS, OR (II) FOR FRAUD.

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City's Initials



Seller's Initials

8.4 Indemnity

Subject to the limitations of liability provided in Section 11.14 below, Seller hereby agrees to indemnify, defend and hold harmless City and its Agents 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 a breach by Seller of: (a) a representation or warranty made by Seller in Section 8.1 above, or (b) a covenant made by Seller in 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 obligation set forth in this Section 8.4 shall survive Closing or any earlier termination of this Agreement.

8.5 Remediation and Demolition Funds Agreement.

In March 2013, PES Environmental, Inc. (“**PES**”) conducted a Phase I Environmental Site Assessment of the Property (“**Phase I Report**”), published on June 18, 2013, in order to evaluate potential environmental conditions at the Property. In April 2013, as recommended by the Phase I, PES conducted Limited Subsurface Investigation of the site, published July 31, 2013 (“**Phase II Report**”). Seller has agreed with City to provide funds to be applied to remediate the conditions identified in the Phase II Report. In addition, Seller has agreed to provide funds to be applied to complete the remaining demolition of the Improvements as further described in the Demolition Documents. The terms and conditions of Seller’s agreement to provide such funds for remediation and demolition (“**Remediation and Demolition Funds**”) to the City are set forth in the Remediation and Demolition Funds Agreement and Escrow Instructions (“**Remediation and Demolition Funds Agreement**”) which is attached hereto as Exhibit H and will be executed and delivered by the parties at Closing as provided herein.

8.6 Disclosure Report.

Seller has delivered to City a report (a “**Disclosure Report**”) containing the disclosures, if any, which may be required under the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4, and 51183.5, California Public Resources Code Sections 2621.9, 2694, and 4136, and California Civil Code Sections 1102.6 and 1103.2, and any successor law. For the purposes of this Agreement, the provisions of Civil Code Section 1102.4 regarding the non-liability of Seller for errors and/or omissions not within its personal knowledge shall be deemed to apply and the preparer of the Disclosure Report shall be deemed to be an expert, dealing with matters within the scope of its expertise with respect to the examination and Disclosure Report. Except for Seller’s obligation to provide the Remediation and Demolition Funds set forth in Section 8.4 above, nothing set forth in this Section 8.6 or in any Disclosure Report shall require Seller to remediate any other matter referred to any Disclosure Report and Seller shall in no event be required to expend funds to remediate any other matters disclosed in any Disclosure Report. City hereby knowingly, voluntarily and intentionally waives its right to disclosure by Seller of natural hazards found in the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4, and 51183.5, California Public Resources Code Sections 2621.9, 2694, and 4136, and California Civil Code Sections 1102.6 and 1103.2, and any

successor law. This waiver is a material inducement to Seller's decision to enter into this Agreement and the calculation of the Purchase Price, and City acknowledges that Seller would not have entered into this Agreement but for this waiver. In the event City proceeds with Closing, CITY SHALL BE DEEMED TO HAVE ACKNOWLEDGED TO SELLER THAT IT HAS OBTAINED THE DISCLOSURE REPORT FROM AN EXPERT SATISFYING THE REQUIREMENTS OF CALIFORNIA CIVIL CODE SECTION 1103.4, AND HAS WAIVED ANY OBJECTION TO SUCH DISCLOSURE REPORT. The terms and provisions of this Section 8.6 shall survive the Closing or the expiration or earlier termination of this Agreement.

8.7 Site Mitigation Plan and Covenant and Environmental Restriction

City acknowledges that pursuant to that certain letter from the City Department of Public Health to Linsey Perlov of Nick Podell Company dated October 9, 2013, and subsequent correspondence with the City Department of Public Health (collectively, "**DPH Requirements**"), in connection with any future development on the Property, the owner of the Property will be required under applicable law to prepare a Site Mitigation Plan related to Hazardous Materials on and under the Property and be responsible for various obligations, including those relating to the removal, transport and disposal of Hazardous Materials from the Property, sampling and reporting, the installation of a vapor intrusion mitigation system and the obligation to record against title to the Property a Covenant and Environmental Restriction in form and in content approved by the City Department of Public Health. As a covenant which survives the Closing if City purchases the Property, City shall assume all responsibilities of Seller arising or to be performed by the owner of the Property from and after the Closing under applicable law and DPH Requirements. City and Seller shall cooperate in executing and delivering such documents as either may reasonably request from time to time implement the provisions of this Section 8.7.

9. RISK OF LOSS AND POSSESSION

9.1 Risk of Loss

In view of Seller's obligation under Section 5.4(b) to cause the Demolition Work to be completed before the Closing Date, City shall be bound to purchase the Property pursuant to the terms of this Agreement notwithstanding any damage to or destruction of the existing improvements on the Land.

9.2 Insurance

Through the Closing Date, Seller shall maintain or cause to be maintained, at Seller's sole cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the ownership of the Property as follows: (a) commercial general liability insurance coverage written on an Insurance Services Office (ISO) coverage form CG 00 01 or another occurrence form providing equivalent coverage, with limits of not less than One Million and No/100ths Dollars (\$1,000,000.00) per occurrence, (b) if Seller uses any automobiles, commercial automobile insurance coverage of not less than One Million and No/100ths Dollars (\$1,000,000.00) per occurrence which shall cover liability arising in

connection with any automobile at the Property (including owned, hired and non-owned automobiles), and (c) workers' compensation insurance as required by statute in the State of California and employer's liability insurance of not less than One Million and No/100ths Dollars (\$1,000,000.00) per accident. City has reviewed and approved Seller's insurance and agrees that substantially similar renewals of said insurance programs shall be acceptable and satisfy the requirements of this Section 9.2.

City, its officers, officials, employees, and volunteers shall be named as additional insureds with respect to coverages required by subsections (a) and (b) immediately preceding. If any coverages are written on a claims-made form, the retroactive date must be before the date of this Agreement. Insurance must be issued by an insurance company authorized to do business in the State of California having a rating of at least "A-/VII or VIII" by A.M. Best Company, unless otherwise acceptable to City. Seller shall furnish City with endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf.

9.3 Possession

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

10. MAINTENANCE; CONSENT TO NEW CONTRACTS

10.1 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, subject to completion of the demolition of the existing improvements pursuant to the Demolition Documents. After completion of the demolition of existing improvements, Seller shall install a chain-link fence with a secured opening on the Florida Street frontage, in accordance with applicable laws of the City.

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

After the Effective Date, Seller shall not enter into any lease or contract, or any amendment thereof, assignment or agreement pertaining to the Property which would be binding upon City from and after the Closing without in each instance obtaining City's prior written consent thereto. City agrees that it shall not unreasonably withhold or delay any such consent. Seller shall terminate prior to the Closing, at no cost or expense to City, any and all agreements affecting the Property that City does not agree in writing prior to the Closing to assume.

11. GENERAL PROVISIONS

11.1 Notices

Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, against

receipt, (ii) one (1) day after being deposited with a reliable overnight courier service, or (iii) two (2) days after being deposited in the United States mail, 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
Re: 2070 Bryant
Email: Sandi.Levine@sfgov.org

with a copy to: Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682
Re: 2070 Bryant
Attn: Real Estate/Finance Team
Email: keith.nagayama@sfgov.org

And to: Mayor's Office of Housing and Community
Development
One South Van Ness Avenue, Suite 500
San Francisco, CA 94103
Attn: Lydia Ely
Email: lydia.ely@sfgov.org

Seller: BRYANT STREET HOLDINGS LLC
c/o Nick Podell Company
22 Battery Street, Suite 404
San Francisco, CA 94111
Attn: Nick Podell

With a copy to: BRYANT STREET HOLDINGS LLC
c/o Junius Real Estate Partners
320 Park Avenue, 14th Floor
New York, New York 10022
Attn: John R. Fraser

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.

11.2 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.

11.3 Successors and Assigns

This Agreement shall not be assigned by City. This Agreement may be assigned by Seller upon notice to City in connection with the conveyance of the Property and provided that the assignee is the subsequent owner of the Property and assumes all of the Seller's obligations under this Agreement arising or accruing from and after such assignment, and upon such assignment, the assigning Seller shall be released from any liability arising or accruing under this Agreement from and after such assignment. Subject to the foregoing, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

11.4 Amendments

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

11.5 Continuation and Survival of Representations and Warranties

(a) Any actions or conduct of Seller permitted under this Agreement, all of the representations and warranties of Seller set forth in Subsections 8.1(g), 8.1(h) and 8.1(l), shall survive the Closing and the delivery of the Deed, and the representations and warranties in Subsections 8.1(a) through 8.1(f) and Subsections 8.1(i) through 8.1(k), or in any certificate or other instrument delivered at any time by or on behalf of Seller in conjunction with the transaction contemplated hereby together with all conditions, covenants and indemnities made by Seller in this Agreement, shall survive the Closing and the delivery of the Deed for a period of eighteen (18) months following the Closing Date. Notice of any claim as to a breach of any representation or warranty (other than those under Subsections 8.1(g), 8.1(h) and 8.1(l)) must be made to Seller prior to the expiration of such eighteen (18) month period or it shall be deemed a waiver of City's right to assert such claim. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and, except for reasons not under the warranting party's control, 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, subject to the limitations set forth above, survive the execution and delivery of this Agreement and the Closing, or, to the extent the context requires, beyond any termination of this Agreement.

(b) Notwithstanding anything to the contrary in this Agreement, City and Seller are prohibited from making any claims against the other party after the Closing with respect to any breaches of the other party's representations, warranties and covenants contained in this Agreement of which the claiming party has knowledge prior to Closing.

11.6 Governing Law

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

11.7 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, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

11.8 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, officers, directors, managers, members 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.

11.9 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 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.

11.10 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.

11.11 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.

11.12 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 which would constitute a violation of said provision, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller shall immediately notify the City.

11.13 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 to Seller listed in this Agreement as providing services to City; 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.

11.14 Limitations of Liability

(a) 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.

(b) No member, manager or agent of Seller, nor any of their respective members, managers, employees, officers or directors, shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and City and its successors and assigns, shall look solely to the assets of Seller for the payment of any claim or for any performance, and City, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability.

(c) Notwithstanding anything to the contrary contained in this Agreement or any document executed in connection therewith, the aggregate liability of Seller arising pursuant to or in connection with the representations, warranties, indemnifications, covenants or other obligations (whether express or implied) of Seller under this Agreement or in or any document executed in connection therewith shall not exceed Two Million and No/100ths Dollars (\$2,000,000.00).

11.15 Intentionally Omitted.

11.16 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.

11.17 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.

11.18 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.

11.19 Acceptance of Agreement by Seller

This Agreement shall be null and void unless and until approved by resolution of the Board of Supervisors of the City and County of San Francisco and executed by the Mayor.

11.20 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:

BRYANT STREET HOLDINGS LLC
a Delaware limited liability company

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: 
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

Date: _____

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

SELLER:

BRYANT STREET HOLDINGS LLC
a Delaware limited liability company

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company,
its managing member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company

By: 

Nick Podell, President

Date: 5/9/17

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:  _____

Keith Nagayama
Deputy City Attorney

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 K) 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:

FIRST AMERICAN 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, identified as Parcel B and described as follows:

S-9299
12-22-16

NEW PARCEL DESCRIPTIONS

PARCEL A: APN 4022-____ (FORMER APNS 4022-001, 4022-002, AND A PORTION OF 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE) WITH THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF 18TH STREET 200.00 FEET TO THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID WESTERLY LINE OF BRYANT STREET 230.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO SAID EASTERLY LINE OF FLORIDA STREET; THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 230.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

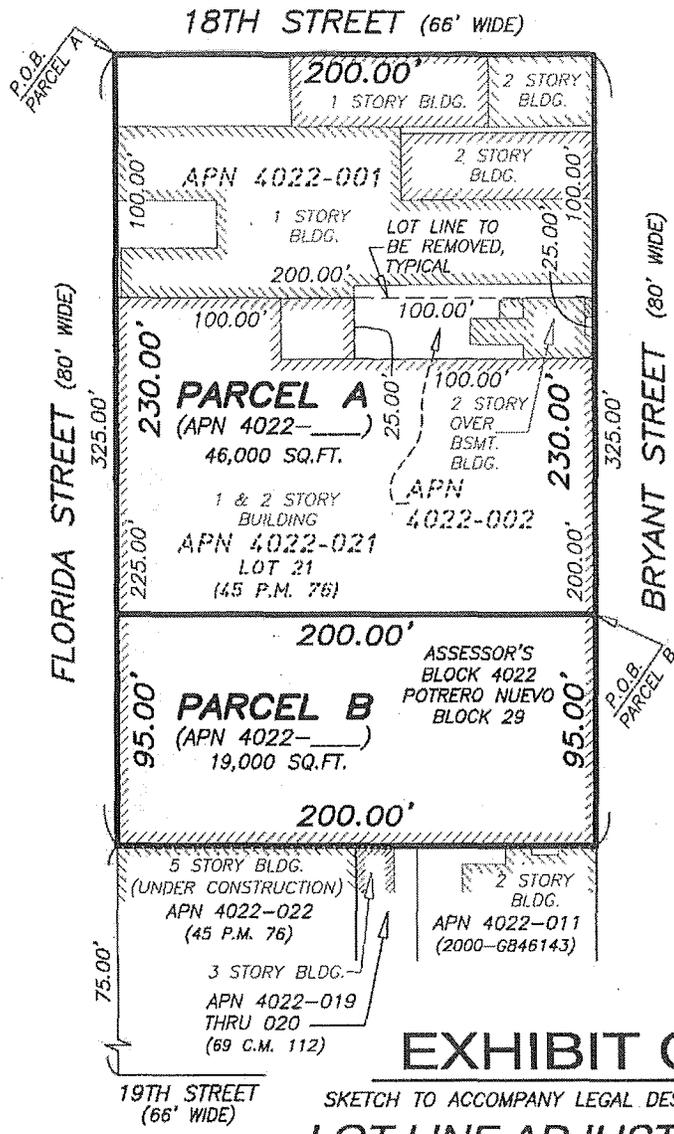
PARCEL B: APN 4022-____ (FORMER PORTION OF APN 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE), DISTANT THEREON 230.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE); THENCE SOUTHERLY ALONG SAID LINE OF BRYANT STREET 95.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 95.00 FEET; THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.





LEGEND

- C.M. CONDOMINIUM MAPS
- P.M. PARCEL MAPS
- APN ASSESSOR'S PARCEL NO.
- P.O.B. POINT OF BEGINNING
- BLDG. BUILDING
- BSMT. BASEMENT

GENERAL NOTES

1. ALL PROPERTY LINE ANGLES ARE 90 DEGREES UNLESS NOTED OTHERWISE.
2. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

NOTE

ALL ON-SITE BUILDINGS TO BE DEMOLISHED



EXHIBIT C

SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS

LOT LINE ADJUSTMENT

BEING A LOT LINE ADJUSTMENT OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN GRANT DEED RECORDED SEPTEMBER 3, 2014 IN DOCUMENT NO. 2014-J946006, OFFICIAL RECORDS AND LOT 21 OF THAT CERTAIN PARCEL MAP RECORDED APRIL 18, 2002 IN BOOK 45 OF PARCEL MAPS, PAGE 76, SAN FRANCISCO COUNTY RECORDS BEING A PORTION OF POTRERO NUEVO BLOCK NO. 29 CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP CHKD. BR DATE 12-22-16 SCALE 1"=60' SHEET 1 OF 1 JOB NO. S-9299

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8316_S-9299LLA LOTS 1_2_21.dwg

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,
_____, a _____, 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.

This grant is made subject to all matters of record, or which would be disclosed by an
inspection and/or survey of the property

[SIGNATURES ON FOLLOWING PAGE]

Executed as of this _____ day of _____, 20__.

a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

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 San Francisco)

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 the foregoing Grant Deed to the City and County of San Francisco, a municipal corporation, 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

PRROFORMA TITLE POLICY

(See Attached)

Form No. 1402.06
 ALTA Owner's Policy (6-17-06)
 1100302P050600



Policy Page 1
 Policy Number: 830128

OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company

Dennis J. Gilmore
 President

Jeffrey S. Robinson
 Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

- (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in

- Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.
- 6. DUTY OF INSURED CLAIMANT TO COOPERATE**
- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.
- 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**
- In case of a claim under this policy, the Company shall have the following additional options:
- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.
- Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- 8. DETERMINATION AND EXTENT OF LIABILITY**
- This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.
- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.
- 9. LIMITATION OF LIABILITY**
- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.
- 10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**
- All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.
- 11. LIABILITY NONCUMULATIVE**
- The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.
- 12. PAYMENT OF LOSS**
- When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.
- 13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**
- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
- If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

POLICY OF TITLE INSURANCE



SCHEDULE A

First American Title Insurance Company

Name and Address of the issuing Title Insurance Company:
First American Title Insurance Company
2755 Campus Dr. Suite 125
San Mateo, CA 94403

File No.: **NCS-830128-SM**

Policy No.: **830128**

Address Reference: 681 Florida Street, San Francisco, CA 94110

Amount of Insurance: \$22,250,000.00

Date of Policy: _____ at _____

1. Name of Insured:

City and County of San Francisco, a municipal corporation

2. The estate or interest in the Land that is insured by this policy is:

A Fee

3. Title is vested in:

City and County of San Francisco, a municipal corporation

4. The Land referred to in this policy is described as follows:

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

BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEE WIDE), DISTANT THEREON 230.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE); THEN SOUTHERLY ALONG SAID LINE OF BRYANT STREET 95.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 95.00 FEET; THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

AND BEING DESIGNATED AS PARCEL B OF THE PLAT MARKED EXHIBIT C ATTACHED TO THAT CERTAIN LOT LINE ADJUSTMENT RECORDED _____, 2017 AS INSTRUMENT NO. _____.

APN: A PORTION OF 26-4022-021-01

NOTICE: This is a pro-forma policy furnished to or on behalf of the party to be insured. It neither reflects the present status of title, nor is it intended to be a commitment to insure. The inclusion of endorsements as part of the pro-forma policy in no way evidences the willingness of the Company to provide any affirmative coverage shown therein.

There are requirements which must be met before a final policy can be issued in the same form as this pro-forma policy. A commitment to insure setting forth these requirements should be obtained from the Company.

SCHEDULE B

File No.: **NCS-830128-SM**

Policy No.: **830128**

EXCEPTIONS FROM COVERAGE

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. General and special taxes and assessments for the fiscal year 2017-2018, a lien not yet due or payable.
2. This item has been intentionally deleted.
3. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 90-1, as disclosed by Notice of Special Tax Lien recorded July 05, 1990 as Instrument No. E573343 in Reel F160, Image 1044 of Official Records .

Document(s) declaring modifications thereof recorded July 11, 1990 as Instrument No. E579471, in Reel F165, Image 1 of Official Records.

4. This item has been intentionally deleted.
5. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
6. The terms and provisions contained in the document entitled "Parapet Agreement" recorded December 03, 1992 as Instrument No. F252154 in Reel F766, Image 0647 of Official Records.
7. The terms and provisions contained in the document entitled "Declaration of Use Limitation" recorded January 10, 2002 as Instrument No. 2002-H086830-00 in Reel I051, Image 0339 of Official Records.
8. This item has been intentionally deleted.
9. A document entitled "Notice of Special Restrictions Under The Planning Code" recorded November 15, 2016 as Instrument No. 2016-K357587-00 of Official Records.
10. Water rights, claims or title to water, whether or not shown by the public records.
11. This item has been intentionally deleted.
12. The following matters disclosed by an ALTA/NSPS survey made by _____ on _____, designated Job No. _____:

13. The terms and provisions contained in the document entitled "Declaration of No-Build Easement" recorded _____, 2017 as Instrument No. _____ of Official Records.

14. The terms and provisions contained in the document entitled "Restrictive Covenant", executed by and between Bryant Street Holdings LLC, a Delaware limited liability company and City and County of San Francisco, a municipal corporation, recorded _____, as Instrument No. _____ of Official Records.

ENDORSEMENT

Attached to Policy No. 830128

Issued by

First American Title Insurance Company

The policy is amended by deleting paragraph 6 of Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

CLTA Form 110.1-06 (03-09-07)
ALTA - Owner or Lender



First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies; or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

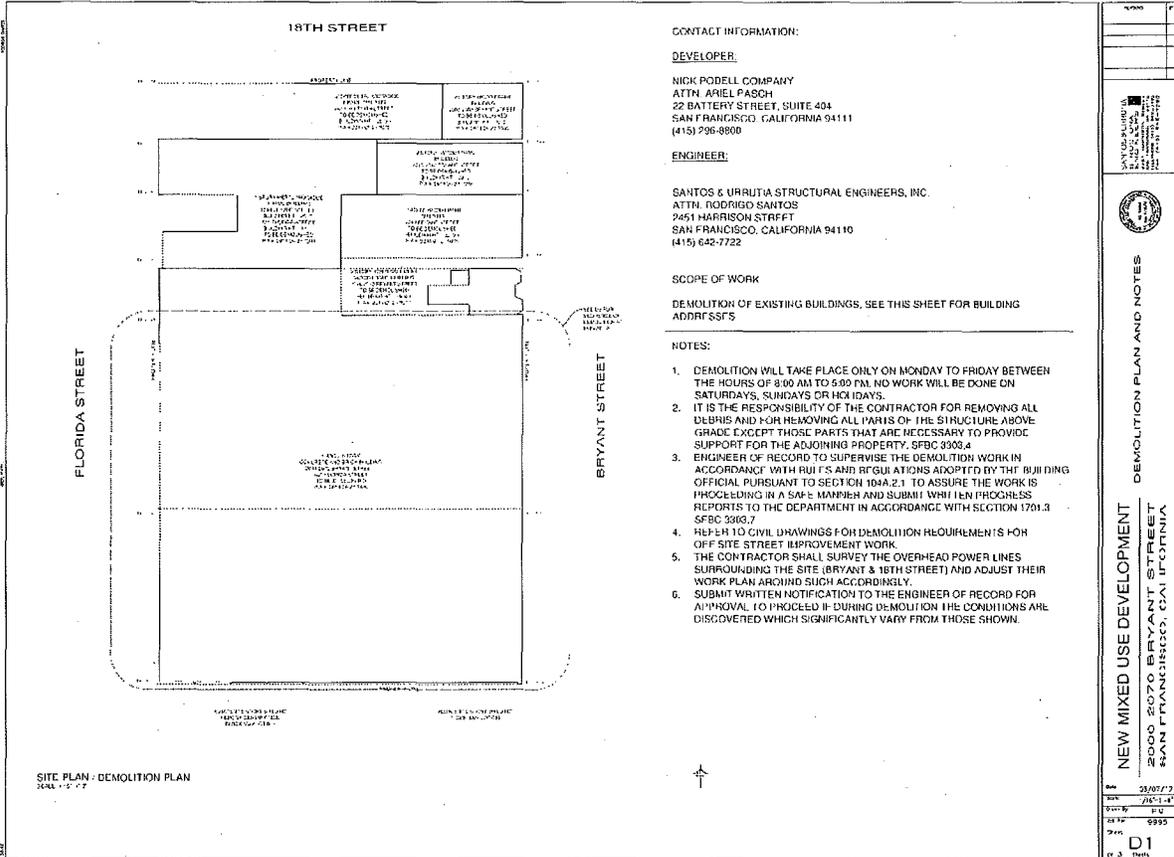
Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

EXHIBIT D

[reserved]

EXHIBIT E

DEMOLITION DOCUMENTS



CONTACT INFORMATION:

DEVELOPER:

NICK PODELL COMPANY
ATTN: ARIEL PASCH
22 BATTERY STREET, SUITE 404
SAN FRANCISCO, CALIFORNIA 94111
(415) 296-8800

ENGINEER:

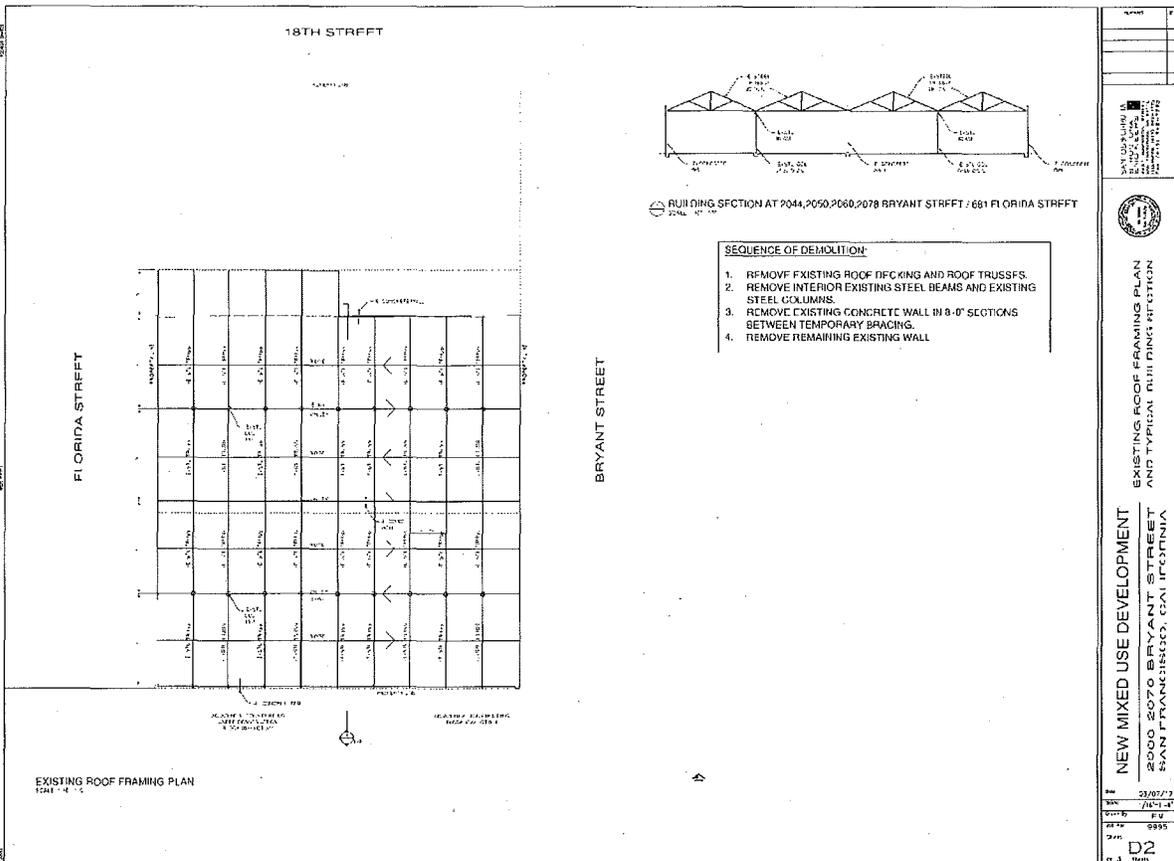
SANTOS & URRUTIA STRUCTURAL ENGINEERS, INC.
ATTN: RODRIGO SANTOS
7051 HARRISON STREET
SAN FRANCISCO, CALIFORNIA 94110
(415) 642-7722

SCOPE OF WORK

DEMOLITION OF EXISTING BUILDINGS, SEE THIS SHEET FOR BUILDING ADDRESSES

NOTES:

1. DEMOLITION WILL TAKE PLACE ONLY ON MONDAY TO FRIDAY BETWEEN THE HOURS OF 8:00 AM TO 5:00 PM. NO WORK WILL BE DONE ON SATURDAYS, SUNDAYS OR HOLIDAYS.
2. IT IS THE RESPONSIBILITY OF THE CONTRACTOR FOR REMOVING ALL DEBRIS AND FOR REMOVING ALL PARTS OF THE STRUCTURE ABOVE GRADE EXCEPT THOSE PARTS THAT ARE NECESSARY TO PROVIDE SUPPORT FOR THE ADJOINING PROPERTY. SFBC 3909.4
3. ENGINEER OF RECORD TO SUPERVISE THE DEMOLITION WORK IN ACCORDANCE WITH RULES AND REGULATIONS ADOPTED BY THE BUILDING OFFICIAL PURSUANT TO SECTION 104A.2.1 TO ASSURE THE WORK IS PROCEEDING IN A SAFE MANNER AND SUBMIT WRITTEN PROGRESS REPORTS TO THE DEPARTMENT IN ACCORDANCE WITH SECTION 1701.3 SFBC 3906.7
4. REFER TO CIVIL DRAWINGS FOR DEMOLITION REQUIREMENTS FOR OFF SITE STREET IMPROVEMENT WORK.
5. THE CONTRACTOR SHALL SURVEY THE OVER-HEAD POWER LINES SURROUNDING THE SITE (BRYANT & 16TH STREET) AND ADJUST THEIR WORK PLAN AROUND SUCH ACCORDINGLY.
6. SUBMIT WRITTEN NOTIFICATION TO THE ENGINEER OF RECORD FOR APPROVAL TO PROCEED IF DURING DEMOLITION THE CONDITIONS ARE DISCOVERED WHICH SIGNIFICANTLY VARY FROM THOSE SHOWN.



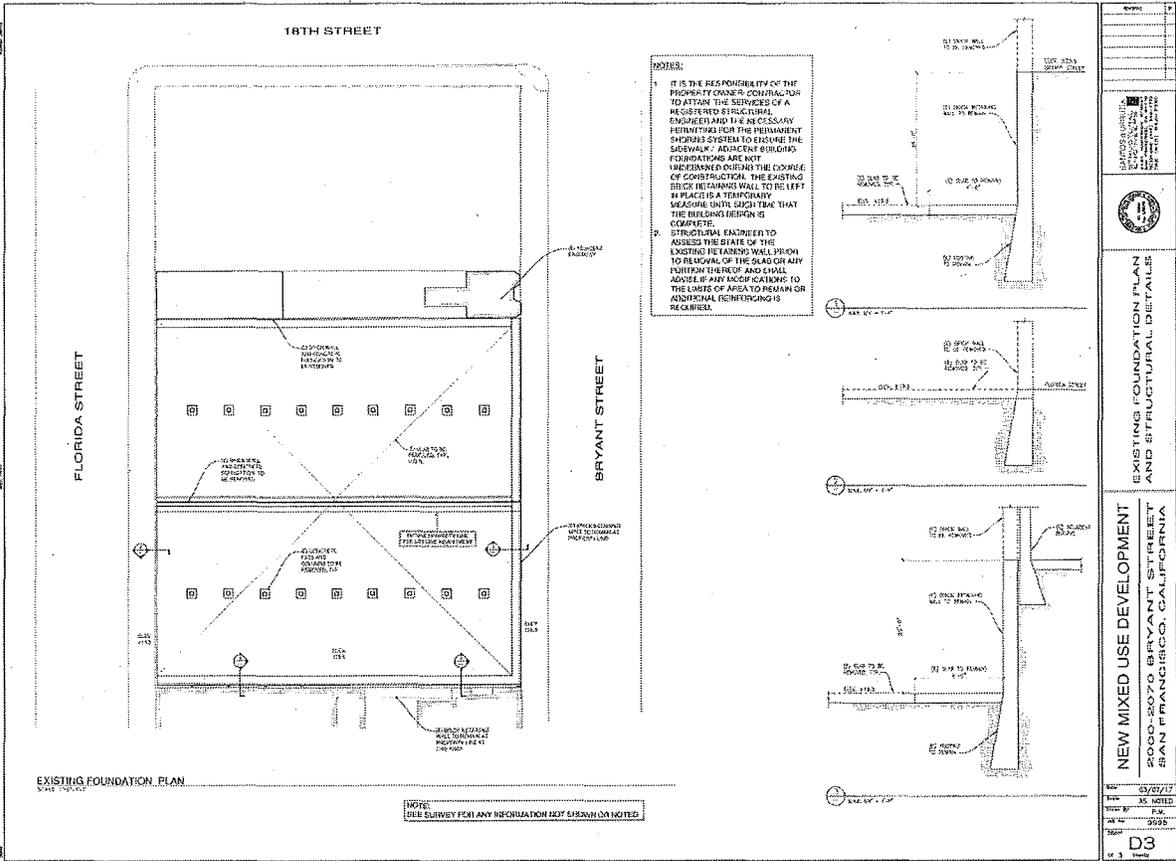


EXHIBIT F

DECLARATION OF NO-BUILD EASEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

c/o Farella Braun + Martel LLP
235 Montgomery Street
San Francisco, CA 94104
Attention: Richard M. Shapiro

APN: Block 4022, Portions of Lots 001, 002 and 021

Space Above This line for Recorder's Use

DECLARATION OF NO-BUILD EASEMENT

THIS DECLARATION is made as of _____, 2017 by
_____, a _____ (“Declarant”).

RECITALS

A. Declarant is the owner of certain real property to be commonly known as 2823 18th Street, San Francisco, California, more particularly described in Exhibit A hereto (hereinafter referred to as the “**Burdened Property**”), and that certain real property adjacent to the Burdened Property and commonly known as 2070 Bryant Street, San Francisco, California more particularly described in Exhibit B hereto (hereinafter referred to as the “**Benefitted Property**”), and together with the Burdened Property, the “**Properties**”).

B. In order that a building or buildings to be constructed on the Benefitted Property be permitted pursuant to current law and governmental regulations to have windows on the property line between the Burdened Property and the Benefitted Property, Declarant desires to establish a no-build easement appurtenant to the Benefitted Property on the portion of the Burdened Property described in Exhibit C (the “**No-Build Easement Area**”) for the benefit of the Benefitted Property.

C. The City and County of San Francisco (the “**City**”) is intended to be a third party beneficiary of the No-Build Easement, such that the written consent of the Director of the City’s Department of Building Inspection (the “**Director**”) shall be required for the modification, revocation, or termination of the restrictions imposed herein.

NOW, THEREFORE, Declarant hereby declares that each of the Properties shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the No-Build Easement as described herein, which shall run with and burden each of the Properties, and shall be binding on and for the benefit of the Properties, any portion of them and any interest in them, and all persons having or acquiring any rights, title or interest in the Properties, any portion of them, and any interest in them, and their successors, heirs and assigns as follows:

1. No-Build Easement. Declarant establishes an easement appurtenant to the Benefitted Property (the “**No-Build Easement**”) prohibiting construction of habitable structures and other improvements in the No-Build Easement Area. Notwithstanding the foregoing, there may be installed and constructed in the No-Build Easement Area landscaping and other improvements, such as fences, trellises, gazeebos, lighting and other site improvements, so long as the existence of such improvements does not result in a requirement under the version of the San Francisco Building Code in effect as of the date of this Declaration that windows and other openings in habitable structures located on the Benefitted Property be closed or provided with fire protection. [Further notwithstanding any limitation in the foregoing, there may be constructed in the No-Build Easement Area those improvements shown on the drawing(s) attached as **Exhibit D.**]

2. Modification or Termination. The No-Build Easement Area may not be modified, revoked or terminated without the prior written consent of the owners of both the Benefitted Property and the Burdened Property, and any such modification, revocation or termination shall not be effective unless and until the Director or his/her designee consents thereto in writing, and such modification, revocation or termination, executed by the owners of the Properties and on behalf of the City, is recorded in the Official Records of the City.

3. Easements Appurtenant. The No-Build Easement Area shall be appurtenant to, and shall pass with title to, the Burdened Property and the Benefitted Property. Each and all of the foregoing covenants and restrictions (i) shall run with the land; (ii) shall be binding upon, and shall inure to the benefit of the owners of the Benefitted Property and the Burdened Property and any person having or acquiring any interest in any portion of either of the Properties, and all of their respective successive owners and assigns; and (iii) shall be binding upon, and shall inure to the benefit of, either of the Properties, and every portion thereof and interest therein.

4. Third Party Beneficiary. The City is intended to be a third party beneficiary of this Easement, with the right to consent to any modification or revocation hereof and the right and authority, at its sole option, to enforce the provisions hereof (including, but not limited to, remedies for violation for a building permit), provided, however, that the City shall have no liability whatsoever hereunder with respect to the condition of either the Benefitted Property or the Burdened Property.

5. No Public Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication to the general public or for any public purposes whatsoever, it being the intention that the rights established in this Declaration shall be strictly limited to and for the purposes expressed herein.

[SIGNATURES ON FOLLOWING PAGES]

DECLARANT:

a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

APPROVED
Director of the Department of Building Inspection

By _____

APPROVED AS TO FORM
Dennis J. Herrera, City Attorney

By _____

Deputy City Attorney

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

County of San Francisco

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)

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

County of San Francisco

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)

EXHIBIT A

LEGAL DESCRIPTION OF THE BURDENED PROPERTY

*[REPLACE WITH DESCRIPTION REFERENCING PARCEL A OF THE LOT LINE
ADJUSTMENT]*

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF
SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 18TH
STREET (66.00 FEET WIDE) WITH THE EASTERLY LINE OF FLORIDA STREET
(80.00 FEET WIDE); THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF 18TH
STREET 200.00 FEET TO THE WESTERLY LINE OF BRYANT STREET (80.00 FEET
WIDE); THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID WESTERLY LINE OF
BRYANT STREET 230.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET
TO SAID EASTERLY LINE OF FLORIDA STREET; THENCE AT A RIGHT ANGLE
NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 230.00 FEET TO
THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

(FORMER APNS 4022-001, 4022-002, AND A PORTION OF 4022-021)

EXHIBIT B

LEGAL DESCRIPTION OF THE BENEFITTED PROPERTY

*[REPLACE WITH DESCRIPTION REFERENCING PARCEL B OF THE LOT LINE
ADJUSTMENT]*

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF
SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEET
WIDE), DISTANT THEREON 230.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF
18TH STREET (66.00 FEET WIDE); THENCE SOUTHERLY ALONG SAID LINE OF BRYANT
STREET 95.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE
EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT
ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 95.00 FEET;
THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

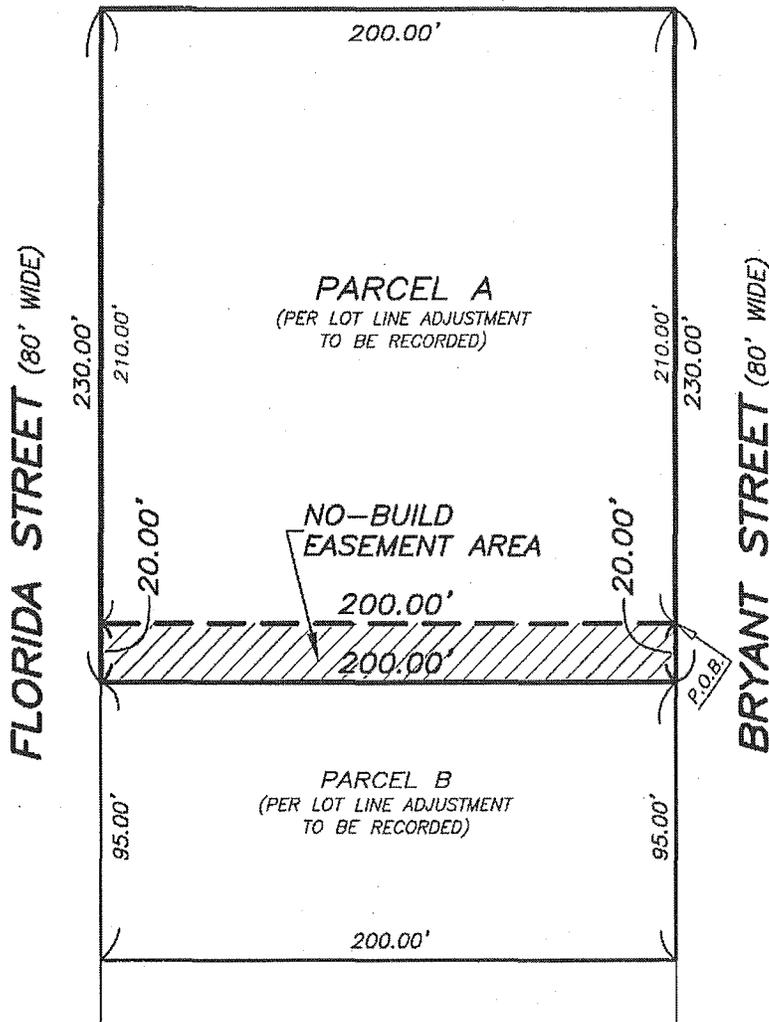
(PORTION OF FORMER APN 4022-021)

EXHIBIT C

NO-BUILD EASEMENT AREA

(See Attached)

18TH STREET
(66' WIDE)



LEGEND

- APN ASSESSOR'S PARCEL NO.
- P.O.B. POINT OF BEGINNING

GENERAL NOTES

1. ALL ANGLES ARE 90 DEGREES UNLESS NOTED OTHERWISE.
2. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

NO-BUILD EASEMENT

ASSESSOR'S BLOCK 4022
SAN FRANCISCO, CALIFORNIA

BY JP CHKD. BR DATE 1-17-17 SCALE 1"=50' SHEET 1 OF 1 JOB NO. S-9299

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8316_S-9299 NO BUILD ESMT.dwg

S-9299
1-16-17

LEGAL DESCRIPTION
"NO-BUILD EASEMENT"

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

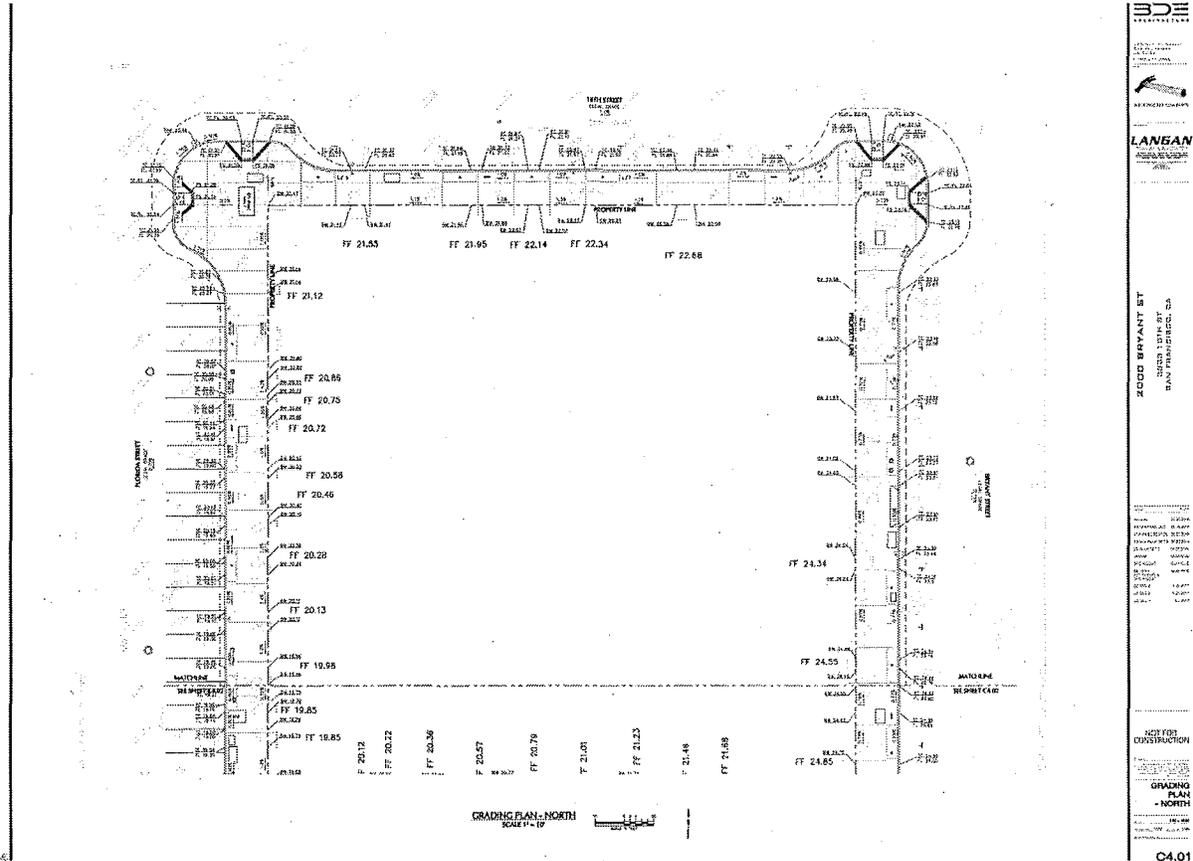
BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE), DISTANT THEREON 210.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 18th STREET (66.00 FEET WIDE); THENCE SOUTHERLY ALONG SAID LINE OF BRYANT STREET 20.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 20.00 FEET; THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

ALSO BEING A PORTION OF ASSESSOR'S BLOCK 4022.

EXHIBIT D

DRAWINGS OF NO-BUILD EASEMENT AREA IMPROVEMENTS



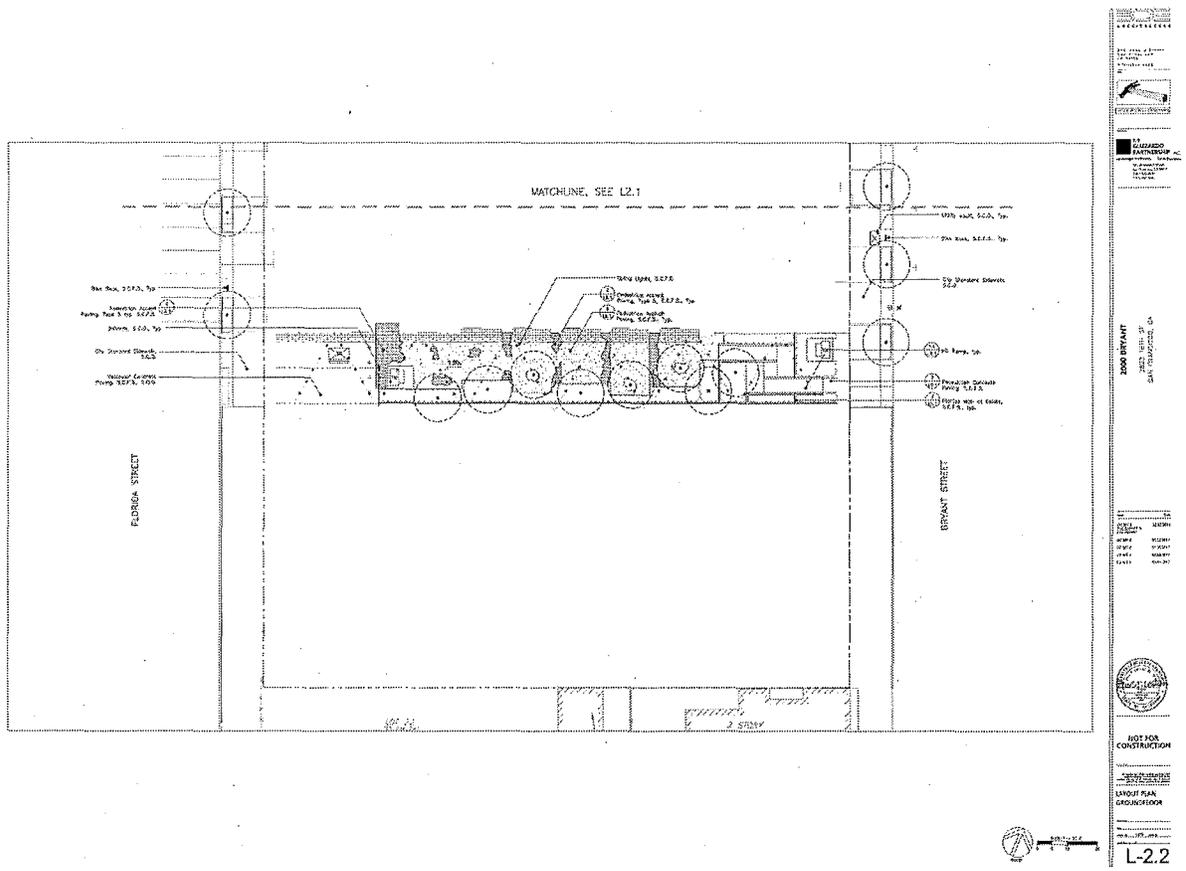


EXHIBIT G

SPECIAL NOTICE

[CONFORM TO JURISDICTIONAL RECORDING REQUIREMENTS]

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)

SPECIAL NOTICE

THIS SPECIAL NOTICE is made this ____ day of _____, 201_, by _____ (“**Owner**”), in favor of the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**City**”).

RECITALS

A. On _____, pursuant to Planning Commission Motion No. _____, the San Francisco Planning Commission approved Seller’s development application for construction of _____ consisting of _____ located at _____ Street, San Francisco (the “**Project**”), and more particularly described on **Exhibit A** attached hereto (the “**Property**”).

B. The San Francisco Planning Code (“**Planning Code**”) requires market rate residential projects to comply with certain Residential Inclusionary Housing rules designed to create affordable housing in San Francisco (“**Affordability Requirement**”). Seller has satisfied the Affordability Requirement for the Project through dedication to the City the City Property (as defined below) of land adjacent to the Property in order for the City to develop affordable dwelling units thereon in accordance with Planning Code Sections 419.6 and 419.5(a)(2)(A)-(J).

C. Dedication of land in satisfaction of the Affordability Requirements by Seller was made pursuant to a certain Agreement of Purchase and Sale For Real Estate dated _____, 2017 (the “**Sale Agreement**”), by and between Bryant Street Holdings, LLC, predecessor-in-interest to Seller, and City and pursuant to the Sale Agreement, Seller conveyed to City the real

property described on **Exhibit B** attached hereto (the “**City Property**”). The City Property is immediately adjacent to the Property.

D. Pursuant to the terms of the Sale Agreement, as a condition to City’s agreement to acquire the City Property, Seller agreed to record this Special Notice against the Property.

WITNESSETH, that, as a condition to City’s agreement to acquire the City Property, Seller, and any successor entity or individual who owns a fee interest in all or any portion of the Property, including City, hereby agrees that such property shall hereafter be subject to the express covenant that, prior to the lease or sale of any portion of the Property, written notice shall be given to each and every prospective occupant or purchaser advising each such party that, in accordance with requirements of the Planning Code, the City Property is intended to be developed to create up to 130 affordable dwelling units in a building of up to 85 feet in height.

The foregoing covenant shall run with title to the Property, and shall inure to the benefit of City, and shall be binding upon, Seller and its successors and assigns; provided, however, the covenant contained herein shall automatically terminate on the date that a final certificate of occupancy is issued for any development of the City Property, without further action by Seller or City.

IN WITNESS WHEREOF, Seller has caused this Special Notice to be executed this ____ day of _____, 201_.

SELLER:

EXHIBIT H

REMEDICATION AND DEMOLITION FUNDS AGREEMENT AND ESCROW INSTRUCTIONS

THIS REMEDIATION AND DEMOLITION FUNDS AGREEMENT (this "**Agreement**") is entered into as of _____, 2017 (the "**Effective Date**") by and among the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**"), _____, a _____ ("**Developer**"), and First American Title Company ("**Escrow Agent**").

RECITALS

A. Bryant Street Holdings LLC, a Delaware limited liability company, Developer's predecessor-in-interest, and City have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions (the "**Purchase Agreement**") for the transfer from Developer to City of that certain real property known as 2070 Bryant Street, being a portion of Assessor's Block 4022, Lot 21, located in the City and County of San Francisco and identified as Parcel B on the Lot Line Adjustment drawing attached hereto as Exhibit A (the "**Property**").

B. As set forth in the documents listed in Schedule 1 to the Purchase Agreement, certain hazardous materials have been identified under the Property and mitigation measures associated with future development on the Property have been recommended.

D. As set forth in other documents listed in Schedule 1 to the Purchase Agreement, the estimated cost of such mitigation measures will be \$955,267.

E. Developer has delivered to City the Demolition Plan and Notes identified in Schedule 1, and the costs of demolition of improvements that remain on the Property to eventually be removed in connection with future construction of a building on the Property has been estimated in other documents listed in Schedule 1 to be \$51,685.

F. As part of the Purchase Agreement, Developer has agreed to contribute funds for the costs of the mitigation measures and for the cost of completion of demolition, as more particularly described in this Agreement.

G. Developer and City now wish to enter into this Agreement to set forth the terms regarding the manner in which the funds contributed by Developer will be disbursed by Escrow Agent to City or Developer in accordance with this Agreement.

H. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of and in reliance on the mutual promises and undertakings herein made and made in the Purchase Agreement and the mutual benefits to be derived therefrom, Developer, City and Escrow Agent agree as follows:

1. Remediation and Demolition Funds. On or prior to the Closing Date, Developer shall deposit with Escrow Agent: (a) Nine Hundred Fifty Five Thousand, Two Hundred Sixty Seven Dollars (\$955,267) (the "**Remediation Funds**") to be applied towards the costs of remediating hazardous materials contamination at the Property ("**Remediation Activities**"), plus

(b) Fifty One Thousand, Six Hundred Eighty Five Dollars (\$51,685) (the “**Demolition Funds**”) to be applied towards the costs of demolishing the improvements that remain at the Property (the “**Demolition Activities**”). Developer makes no representation or warranty, explicit or implied, regarding the accuracy of the estimates which are the bases of the amounts of the Remediation Funds and the Demolition Funds.

2. Escrow Account. The Remediation Funds and Demolition Funds shall be held by Escrow Agent in an interest-bearing account (the “**Escrow Account**”), and all interest thereon shall be deemed a part of the Remediation Funds. All costs and expenses of Escrow Agent with respect to the establishment, holding and administering of the Escrow Account shall be paid by Developer.

3. Use of Remediation Funds and Demolition Funds. The Remediation Funds shall be made available to the City and its agents or assigns to pay for the Remediation Activities and the Demolition Funds shall be made available to the City and its agents or assigns to pay for the Demolition Activities. The Site Remediation Funds are intended to cover only those costs associated with the handling, off-haul and disposal of contaminated soil in excessive of the cost of handling, off-haul and disposal of non-contaminated soil. In order to ensure this is properly accounted for City and its contractor shall obtain a unit price for the handling, loading, trucking and disposal of clean soil. This unit price shall be applied as a credit against the actual costs incurred to ensure the Remediation Funds are not used to pay for work that would otherwise be required in the absence of contamination.

4. Disbursement of Remediation Funds and Demolition Funds. Developer and the City agree that the Escrow Agent is hereby authorized to release to City or its agents or assigns the Remediation Funds to be applied towards the cost of the Remediation Activities and the Demolition Funds to be applied towards the cost of the Demolition Activities, within five (5) business days of submittal by City to Developer and Escrow Agent of evidence in the form of invoices of contractors which relate solely to the Remediation Activities or the Demolition Activities, respectively. Developer shall have no obligation to increase the amount of the Remediation Funds or the Demolition Funds if they are insufficient to cover the actual costs of the Remediation Activities or the Demolition Activities.

5. Term of Agreement. The obligations and rights under this Agreement shall survive the termination of the Purchase Agreement; provided however that upon disbursement of all of the Remediation Funds and the Demolition Funds pursuant to Section 4 above, the Escrow Account shall be closed and this Agreement and all rights and obligations under this Agreement which have not previously accrued shall terminate. Notwithstanding to the contrary in this Agreement or the Purchase Agreement, on the date that is the earlier of (a) the fifth (5th) anniversary of the Effective Date or (b) issuance by the San Francisco Department of Public Health of a written acknowledgment that the installation of a vapor mitigation system associated with subsequent development on the Property has been completed and the Demolition Activities have been completed, any funds remaining in the Escrow Account shall be disbursed to Developer and the Escrow Account shall be closed and neither City nor Developer shall have any obligations or rights under this Agreement that have not accrued or arisen prior to such date.

One South Van Ness Avenue, Suite 500
San Francisco, CA 94103
Attn: Director of MOHCD
Re: 2070 Bryant

If to Developer: Bryant Midblock Holdings LLC
c/o Nick Podell Company
22 Battery Street, Suite 404
San Francisco, CA 94111
Attn: Nick Podell

with a copy to: Bryant Midblock Holdings LLC
c/o Junius Real Estate Partners
320 Park Avenue, 14th Floor
New York, New York 10022
Attn: John R. Fraser

If to Escrow Agent: First American Title Company
2755 Campus Dr. Suite 125
San Mateo, CA 94403
Attn: Erwin J. Broekhuis

(b) Attorneys' Fees. In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants or agreements contained herein, then in that event, the prevailing party in such action or dispute, whether by formal judgment or out of court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including actual attorneys' fees. For purposes hereof and for purposes set forth herein, reasonable attorneys' fees of City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding the City's use of its own attorneys.

(c) Entire Agreement and Amendments. This Agreement constitutes the entire understanding between the parties hereto with respect to the transaction contemplated herein and supersedes any and all prior arrangements or understandings between the parties with respect thereto. Any amendment or modification of the provisions of this Agreement shall only be effective upon execution and delivery, by all parties hereto, of a writing incorporating all of the terms of such amendment or modification. No oral amendment or modification of this Agreement shall be binding on any party.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

(e) Successors. This Agreement shall not be assigned by City without the consent of Developer, which consent shall not unreasonably be withheld. This Agreement may be assigned by Developer upon notice to City and provided that the assignee assumes all of the Seller's obligations under this Agreement arising or accruing from and after such assignment, and upon such assignment, the assigning Developer shall be released from any liability arising or accruing

under this Agreement from and after such assignment. Subject to the foregoing, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

(f) Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Agreement shall be made against either party except on the basis of a written instrument executed by or on behalf of such party, unless expressly provided to the contrary in the Agreement. The party for whose benefit a condition is herein inserted shall have the unilateral right to waive such condition.

(g) Further Actions. The parties agree to execute such further documents, and take such further actions, as may reasonably be required to carry out the provisions of this Agreement.

(h) Validity of Provisions. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provisions of this Agreement but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein and the same shall be enforceable to the fullest extent permitted by law.

(i) Counterparts. This Agreement may be executed in one or more counterparts and shall become effective when one or more counterparts have been signed by all of the parties; each counterpart shall be deemed an original but all counterparts shall constitute a single instrument.

(j) Business Days. In the event any date described in this Agreement relative to the performance of actions hereunder by City, Developer and/or Escrow Agent falls on a Saturday, Sunday or legal holiday, such date shall be deemed postponed until the next business day thereafter.

(k) Macbride Principles – Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Seller and Escrow Agent each acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

(l) Non Discrimination In City And County Of San Francisco Contracts. In the performance of this Agreement, Developer and Escrow Agent each covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, height, weight or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or

applicant for employment with Developer or Escrow Agent, respectively, in any of such party's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by such party. If applicable, Developer and Escrow Agent each shall include in any subcontract with an environmental consultant relating to this Agreement a non-discrimination clause applicable to such subcontractor in substantially the form of subsection (a) above.

(m) Tropical Hardwoods And Virgin Redwoods. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood wood product.

(n) Conflicts Of Interests. Developer and Escrow Agent each states that it is familiar with the provisions of Section 15.103 and C8.105 of the San Francisco Charter and certifies that it knows of no facts which would constitute a violation of such provisions. Developer and Escrow Agent each further certifies that it has made a complete disclosure to the City of all facts bearing on any possible interests, direct or indirect, which Developer or Escrow Agent, respectively, believes any officer or employee of the City presently has or will have in this Agreement or in the performance thereof.

(o) Taxpayer Notification of Limitations on Contributions. San Francisco Campaign and Governmental Conduct Code (the "Conduct Code") Section 3.700 et. seq., and San Francisco Ethics Commission Regulations 3.710(a)-1 – 3.730-1, prohibit the public officials who approved this Agreement from receiving 1) gifts, honoraria, emoluments or pecuniary benefits of a value in excess of \$50; 2) any employment for compensation; or 3) any campaign contributions for any elective office for a period of up to six years from individuals and entities who are "public benefit recipients" of the Agreement. Public benefit recipients of the Agreement are: 1) the individual, corporation, firm, partnership, association, or other person or entity that is a party to the Agreement; 2) an individual or entity that has a direct 10% equity, or direct 10% participation, or direct 10% revenue interest in that party at the time the public benefit is awarded; or 3) an individual who is a trustee, director, partner or officer of the contracting party at the time the public benefit is awarded. Developer and Escrow Agent each understands that any public official who approved this Agreement may not accept campaign contributions, gifts, or future employment from Developer or Escrow Agent except as provided under the Conduct Code. Developer and Escrow Agent each agrees to notify any other individuals or entities that may be deemed "public benefit recipients" under the Conduct Code because of this Agreement. Upon request, Developer and Escrow Agent each agrees to furnish, before this Agreement is entered into, such information as any public official approving this Agreement may require in order to ensure such official's compliance with the Conduct Code. Upon request, the City agrees to provide, before this Agreement is entered into, Developer and Escrow Agent with a list of public officials who, under the Conduct Code, approved this Agreement. Failure of any public official who approved this Agreement to abide by the Conduct Code shall not constitute a breach by either the City, Escrow Agent or Developer of this Agreement. Notwithstanding anything to the contrary in this Agreement, no party hereto shall have the right to terminate the Agreement due to any failure by the other party to provide the information described in this paragraph.

(p) General Provisions. (1) Except as expressly provided to the contrary, all approvals, consents and determinations to be made by City hereunder may be made in the reasonable discretion of City. (2) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. (3) Time is of the essence in all matters relating to this Agreement. (4) If Developer or Escrow Agent, respectively, consists of more than one person then the obligations of each such person shall be joint and several. (5) Developer or Escrow Agent may not record this Agreement or any memorandum hereof.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

DEVELOPER:

a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

CITY:

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: _____
Michelle Sexton
Deputy City Attorney

TITLE COMPANY

FIRST AMERICAN TITLE COMPANY

Date: _____

By: _____

Its: _____

Exhibit A

Lot Line Adjustment Drawing

S-9299
12-22-16

NEW PARCEL DESCRIPTIONS

PARCEL A: APN 4022-____ (FORMER APNS 4022-001, 4022-002, AND A PORTION OF 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE) WITH THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF 18TH STREET 200.00 FEET TO THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID WESTERLY LINE OF BRYANT STREET 230.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO SAID EASTERLY LINE OF FLORIDA STREET; THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 230.00 FEET TO THE POINT OF BEGINNING.

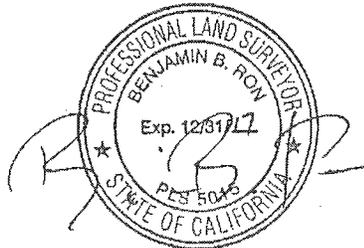
BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

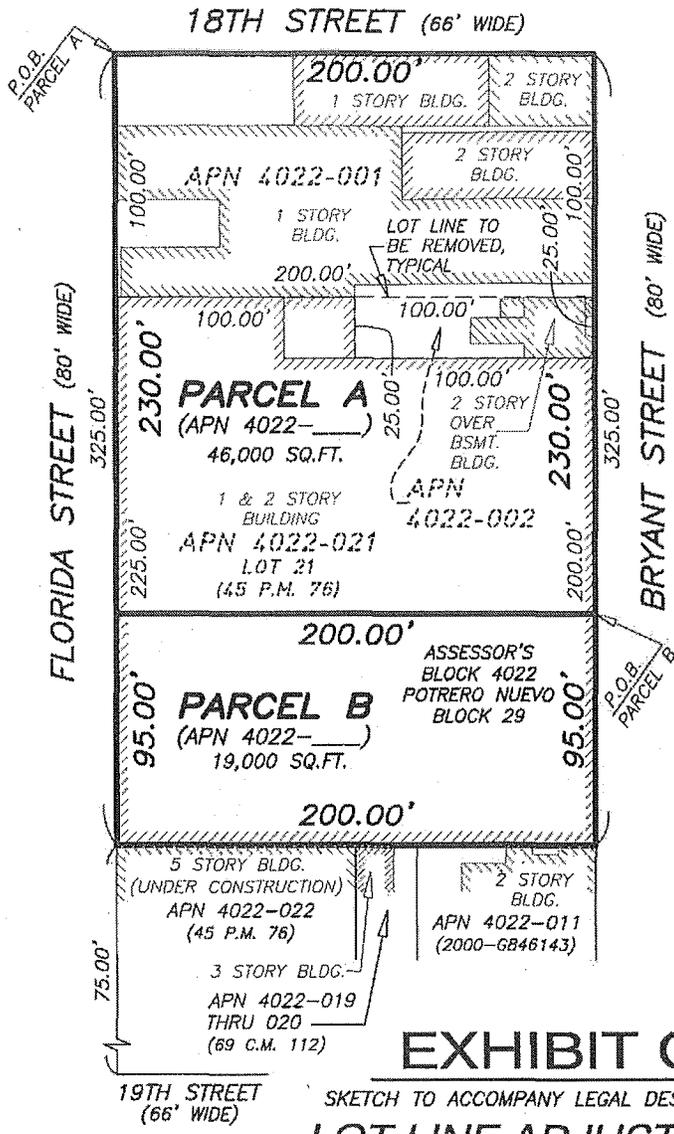
PARCEL B: APN 4022-____ (FORMER PORTION OF APN 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE), DISTANT THEREON 230.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE); THENCE SOUTHERLY ALONG SAID LINE OF BRYANT STREET 95.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 95.00 FEET; THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.





LEGEND

- C.M. CONDOMINIUM MAPS
- P.M. PARCEL MAPS
- APN ASSESSOR'S PARCEL NO.
- P.O.B. POINT OF BEGINNING
- BLDG. BUILDING
- BSMT. BASEMENT

GENERAL NOTES

1. ALL PROPERTY LINE ANGLES ARE 90 DEGREES UNLESS NOTED OTHERWISE.
2. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

NOTE

ALL ON-SITE BUILDINGS TO BE DEMOLISHED

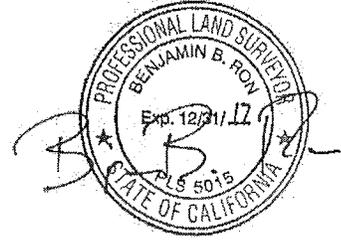


EXHIBIT C

SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS

LOT LINE ADJUSTMENT

BEING A LOT LINE ADJUSTMENT OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN GRANT DEED RECORDED SEPTEMBER 3, 2014 IN DOCUMENT NO. 2014-J946006, OFFICIAL RECORDS AND LOT 21 OF THAT CERTAIN PARCEL MAP RECORDED APRIL 18, 2002 IN BOOK 45 OF PARCEL MAPS, PAGE 76, SAN FRANCISCO COUNTY RECORDS BEING A PORTION OF POTRERO NUEVO BLOCK NO. 29 CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP CHKD. BR DATE 12-22-16 SCALE 1"=60' SHEET 1 OF 1 JOB NO. S-9299

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8316_S-9299LLA LOTS 1_2_21.dwg

EXHIBIT I

[reserved]

EXHIBIT J

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 Bryant Midblock Holdings LLC, a Delaware limited liability company ("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 _____ LLC, c/o Nick Podell Company, 22 Battery Street, Suite 404, San Francisco, CA 94111.
4. Transferor is not a disregarded entity.

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__.

a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

EXHIBIT K

DESIGNATION AGREEMENT

This DESIGNATION AGREEMENT (the "Agreement") dated as of _____, 20____, is by and between _____, a _____ ("Seller"), the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), and FIRST AMERICAN TITLE COMPANY ("Title Company").

A. Pursuant to that certain Purchase Agreement entered into by and between Seller and City, dated _____, 2017 (the "Purchase Agreement"), Seller's predecessor-in-interest, Bryant Street Holdings LLC, has agreed to sell to City, and City has agreed to purchase from Seller, certain real property located in City and County of San Francisco, California, more particularly described in Exhibit A attached hereto (the "Property"). The purchase and sale of the Property is sometimes hereinbelow referred to below as the "Transaction").

B. Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the "Reporting Requirements") require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction.

C. Pursuant to Subsection 2(b)(i) of the Purchase Agreement, an escrow has been opened with Title Company, Escrow No. _____, through which the Transaction will be or is being accomplished. Title Company is either (i) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (ii) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements).

D. Seller, City and Title Company desire to designate Title Company as the "Reporting Person" (as defined in the "Reporting Requirements") with respect to the Transactions.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller, City and Title Company agree as follows:

1. Title Company is hereby designated as the Reporting Person for the Transaction. Title Company shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

2. Seller and City shall furnish to Title Company, in a timely manner, any information requested by Title Company and necessary for Title Company to perform its duties as Reporting Person for the transaction.

3. Title Company hereby requests Seller to furnish to Title Company Seller's correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Title Company with Seller's correct taxpayer identification number may subject Seller to civil or

criminal penalties imposed by law. Accordingly, Seller hereby certifies to Title Company, under penalties of perjury, that Seller's correct taxpayer identification number is _____.

4. The names and addresses of the parties hereto are as follows:

SELLER:

c/o Nick Podell Company
22 Battery Street, Suite 404
San Francisco, CA 94111
Attn: Nick Podell

and:

c/o Junius Real Estate Partners
320 Park Avenue, 14th Floor
New York, New York 10022
Attn: John R. Fraser

CITY:

Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Attn: Director of Property
Re: 2070 Bryant

TITLE COMPANY:

First American Title Company
2755 Campus Dr. Suite 125
San Mateo, CA 94403
Attn: Erwin J. Broekhuis

5. Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which the date of closing of the Transaction occurs.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date and year first above written.

SELLER:

_____ a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike
Director of Property

Date: _____

Title Company:

FIRST AMERICAN TITLE COMPANY

Date: _____

By: _____

Its: _____

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 San Francisco)

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)

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 San Francisco)

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)

SCHEDULE 1

Seller's Documents

1. MOH Infrastructure Summary, 2070 Bryant Street, San Francisco, CA, prepared by Langan Treadwell Rollo, dated 4/21/16.
2. Cost Estimate for Site Work, letter prepared by Build Group, dated 4/20/16.
3. Preliminary Title Report for 2070 Bryant Street, prepared by First American Title Company, dated 12/1/16.
4. Site Survey Of A Portion of Assessor's Block No. 4022, 2000-2070 Bryant Street, San Francisco, CA, prepared by Martin M. Ron Associates Land Surveyors, dated 12/12/13 "Added Lots 1& 2 Boundary Topography, revised 2/14/17 "Added Building on 4022-022".
5. Geotechnical Investigation Report, 2000-2070 Bryant Street, San Francisco, CA, prepared by Langan Treadwell & Rollo, dated March 28th 2014.
6. Supplemental Geotechnical Investigation Report, 2000-2070 Bryant Street, San Francisco, CA, prepared by Langan Treadwell & Rollo, dated August 27th 2015.
7. Potential Environmental Remediation Associated with MOH Dedicated Affordable Site, at 2000-2070 Bryant Street, San Francisco, prepared by Build Group, dated 1/26/17.
8. Demolition at MOH Dedicated Affordable Site, at 2000-2070 Bryant Street, San Francisco, prepared by Build Group, dated 4/20/17.
9. Land Use Conformance Memo, Re: 2000-2070 Bryant Street land dedication site, prepared by Steven Vettel of Farella Braun + Martell LLP., dated 3/3/16, revised 5/9/16.
10. Phase I Environmental Site Assessment, 2044-2070 Bryant Street, San Francisco, CA, prepared by PES Environmental, Inc. dated June 18th 2013.
11. Phase II Limited Subsurface Investigation, 2044-2070 Bryant Street, San Francisco, CA, prepared by PES Environmental, Inc., dated July 31st 2013.
12. Phase I Environmental Site Assessment, 2000-2030 Bryant Street / 2813-2815 18th Street / 611 Florida Street, San Francisco, CA, prepared by PES Environmental, Inc., dated March 14th 2014.

13. PES Phase II Limited Subsurface Investigation, 2000-2030 Bryant Street / 2813-2815 18th Street / 611 Florida Street, San Francisco, CA, prepared by PES Environmental, Inc., dated April 10th 2014.
14. Environmental Site Mitigation Plan, 2044-2070 Bryant Street, San Francisco, CA, prepared by PES Environmental, Inc., dated August 27th 2013.
15. Conditional Site Mitigation Plan Approval Conceptual Planned Development, 2000-2030, 2044-2070 Bryant Street, 2813-2815 18th Street, 611 Florida Street San Francisco, CA, letter from the City and County of San Francisco Department of Public Health dated July 21, 2014.
16. Environmental Site Mitigation Plan Addendum, 2000-2070 Bryant Street / 2813-2815 18th Street / 611 Florida Street, San Francisco, CA, prepared by PES Environmental, Inc., dated May 21st 2014.
17. Asbestos & Lead Survey Report, 2044-2070 Bryant Street, San Francisco, CA prepared by Advantage Environmental & Safety Services Inc., dated March 11 2017.
18. Appraisal of A Portion of 2070 Bryant Street, San Francisco, Ca, A Residential Development Site, prepared by Hamilton, Ricci & Associates, Inc., dated 5/25/16.
19. 2000-2070 Bryant Street Demolition Plan & Notes, prepared by Santos and Urrutia Structural Engineers, dated 3/7/17.
20. Lot Line Adjustment Exhibits A, B & C, prepared by Martin M. Ron Associates Land Surveyors, dated 12/21/16.
21. Build Group Letter to Kate Hartley, Deputy Director – Housing, dated April 20, 2017 regarding cost estimate for remaining walls at Affordable Site.
22. Site Remediation Budget for 681 Florida Street dated May 9, 2017, prepared by Mayor's Office of Housing and Community Development.

EXHIBIT H

REMEDICATION AND DEMOLITION FUNDS AGREEMENT AND ESCROW INSTRUCTIONS

THIS REMEDIATION AND DEMOLITION FUNDS AGREEMENT (this "**Agreement**") is entered into as of _____, 2017 (the "**Effective Date**") by and among the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**"), _____, a _____ ("**Developer**"), and First American Title Company ("**Escrow Agent**").

RECITALS

A. Bryant Street Holdings LLC, a Delaware limited liability company, Developer's predecessor-in-interest, and City have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions (the "**Purchase Agreement**") for the transfer from Developer to City of that certain real property known as 2070 Bryant Street, being a portion of Assessor's Block 4022, Lot 21, located in the City and County of San Francisco and identified as Parcel B on the Lot Line Adjustment drawing attached hereto as Exhibit A (the "**Property**").

B. As set forth in the documents listed in Schedule 1 to the Purchase Agreement, certain hazardous materials have been identified under the Property and mitigation measures associated with future development on the Property have been recommended.

D. As set forth in other documents listed in Schedule 1 to the Purchase Agreement, the estimated cost of such mitigation measures will be \$955,267.

E. Developer has delivered to City the Demolition Plan and Notes identified in Schedule 1, and the costs of demolition of improvements that remain on the Property to eventually be removed in connection with future construction of a building on the Property has been estimated in other documents listed in Schedule 1 to be \$51,685.

F. As part of the Purchase Agreement, Developer has agreed to contribute funds for the costs of the mitigation measures and for the cost of completion of demolition, as more particularly described in this Agreement.

G. Developer and City now wish to enter into this Agreement to set forth the terms regarding the manner in which the funds contributed by Developer will be disbursed by Escrow Agent to City or Developer in accordance with this Agreement.

H. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of and in reliance on the mutual promises and undertakings herein made and made in the Purchase Agreement and the mutual benefits to be derived therefrom, Developer, City and Escrow Agent agree as follows:

1. Remediation and Demolition Funds. On or prior to the Closing Date, Developer shall deposit with Escrow Agent: (a) Nine Hundred Fifty Five Thousand, Two Hundred Sixty Seven Dollars (\$955,267) (the "**Remediation Funds**") to be applied towards the costs of remediating hazardous materials contamination at the Property ("**Remediation Activities**"), plus

(b) Fifty One Thousand, Six Hundred Eighty Five Dollars (\$51,685) (the “**Demolition Funds**”) to be applied towards the costs of demolishing the improvements that remain at the Property (the “**Demolition Activities**”). Developer makes no representation or warranty, explicit or implied, regarding the accuracy of the estimates which are the bases of the amounts of the Remediation Funds and the Demolition Funds.

2. Escrow Account. The Remediation Funds and Demolition Funds shall be held by Escrow Agent in an interest-bearing account (the “**Escrow Account**”), and all interest thereon shall be deemed a part of the Remediation Funds. All costs and expenses of Escrow Agent with respect to the establishment, holding and administering of the Escrow Account shall be paid by Developer.

3. Use of Remediation Funds and Demolition Funds. The Remediation Funds shall be made available to the City and its agents or assigns to pay for the Remediation Activities and the Demolition Funds shall be made available to the City and its agents or assigns to pay for the Demolition Activities. The Site Remediation Funds are intended to cover only those costs associated with the handling, off-haul and disposal of contaminated soil in excessive of the cost of handling, off-haul and disposal of non-contaminated soil. In order to ensure this is properly accounted for City and its contractor shall obtain a unit price for the handling, loading, trucking and disposal of clean soil. This unit price shall be applied as a credit against the actual costs incurred to ensure the Remediation Funds are not used to pay for work that would otherwise be required in the absence of contamination.

4. Disbursement of Remediation Funds and Demolition Funds. Developer and the City agree that the Escrow Agent is hereby authorized to release to City or its agents or assigns the Remediation Funds to be applied towards the cost of the Remediation Activities and the Demolition Funds to be applied towards the cost of the Demolition Activities, within five (5) business days of submittal by City to Developer and Escrow Agent of evidence in the form of invoices of contractors which relate solely to the Remediation Activities or the Demolition Activities, respectively. Developer shall have no obligation to increase the amount of the Remediation Funds or the Demolition Funds if they are insufficient to cover the actual costs of the Remediation Activities or the Demolition Activities.

5. Term of Agreement. The obligations and rights under this Agreement shall survive the termination of the Purchase Agreement; provided however that upon disbursement of all of the Remediation Funds and the Demolition Funds pursuant to Section 4 above, the Escrow Account shall be closed and this Agreement and all rights and obligations under this Agreement which have not previously accrued shall terminate. Notwithstanding to the contrary in this Agreement or the Purchase Agreement, on the date that is the earlier of (a) the fifth (5th) anniversary of the Effective Date or (b) issuance by the San Francisco Department of Public Health of a written acknowledgment that the installation of a vapor mitigation system associated with subsequent development on the Property has been completed and the Demolition Activities have been completed, any funds remaining in the Escrow Account shall be disbursed to Developer and the Escrow Account shall be closed and neither City nor Developer shall have any obligations or rights under this Agreement that have not accrued or arisen prior to such date.

6. Obligations of Escrow Agent. By joining herein, Escrow Agent undertakes only to perform the specific duties and obligations imposed on the Escrow Agent under the terms of this Agreement. Developer and City hereby agree and acknowledge that Escrow Agent shall not at any time be held liable for actions taken or omitted to be taken under this Agreement, except for liability related to the gross negligence or willful misconduct of Escrow Agent. If any controversy arises between the parties to this Agreement, or with any other party, concerning the subject matter of this Agreement, its terms or conditions, Escrow Agent will not be required to determine the controversy or to take any action regarding it. Escrow Agent may hold all documents and funds and may wait for settlement of any such controversy by (a) final appropriate legal proceedings; or (b) by written agreement and notification in writing thereof by Developer and City. In such event, unless due to the gross negligence or willful misconduct of Escrow Agent, Escrow Agent will not be liable for interest or damages. Furthermore, Escrow Agent may at its option, file an action of interpleader requiring the parties to answer and litigate any claims and rights among themselves. Escrow Agent is authorized to deposit with the clerk of the court all documents and funds held in escrow, except all costs, expenses, charges and reasonable attorney fees incurred by Escrow Agent due to the interpleader action and which Developer and City jointly and severally agree to pay.

7. Miscellaneous.

(a) Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States mail, postage prepaid, certified mail, return receipt requested, sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of facsimile transmission, as of the date of the facsimile transmission provided that an original of such facsimile is also sent to the intended address by means described in clauses (a), (b) or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to City: Real Estate Division
 City and County of San Francisco
 25 Van Ness Avenue, Suite 400
 San Francisco, CA 94102
 Attn: Director of Property
 Re: 2070 Bryant

with a copy to: Office of the City Attorney
 City Hall, Room 234
 1 Dr. Carlton B. Goodlett Place
 San Francisco, CA 94102-4682
 Re: 2070 Bryant
 Attn: Real Estate/Finance Team

and to: Mayor's Office of Housing and Community
 Development

Remediation and Demolition Funds and Escrow Agreement 2070 Bryant

One South Van Ness Avenue, Suite 500
San Francisco, CA 94103
Attn: Director of MOHCD
Re: 2070 Bryant

If to Developer: Bryant Midblock Holdings LLC
c/o Nick Podell Company
22 Battery Street, Suite 404
San Francisco, CA 94111
Attn: Nick Podell

with a copy to: Bryant Midblock Holdings LLC
c/o Junius Real Estate Partners
320 Park Avenue, 14th Floor
New York, New York 10022
Attn: John R. Fraser

If to Escrow Agent: First American Title Company
2755 Campus Dr. Suite 125
San Mateo, CA 94403
Attn: Erwin J. Broekhuis

(b) Attorneys' Fees. In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants or agreements contained herein, then in that event, the prevailing party in such action or dispute, whether by formal judgment or out of court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including actual attorneys' fees. For purposes hereof and for purposes set forth herein, reasonable attorneys' fees of City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding the City's use of its own attorneys.

(c) Entire Agreement and Amendments. This Agreement constitutes the entire understanding between the parties hereto with respect to the transaction contemplated herein and supersedes any and all prior arrangements or understandings between the parties with respect thereto. Any amendment or modification of the provisions of this Agreement shall only be effective upon execution and delivery, by all parties hereto, of a writing incorporating all of the terms of such amendment or modification. No oral amendment or modification of this Agreement shall be binding on any party.

(d) Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

(e) Successors. This Agreement shall not be assigned by City without the consent of Developer, which consent shall not unreasonably be withheld. This Agreement may be assigned by Developer upon notice to City and provided that the assignee assumes all of the Seller's obligations under this Agreement arising or accruing from and after such assignment, and upon such assignment, the assigning Developer shall be released from any liability arising or accruing

under this Agreement from and after such assignment. Subject to the foregoing, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

(f) Waiver. No claim of waiver, consent or acquiescence with respect to any provision of this Agreement shall be made against either party except on the basis of a written instrument executed by or on behalf of such party, unless expressly provided to the contrary in the Agreement. The party for whose benefit a condition is herein inserted shall have the unilateral right to waive such condition.

(g) Further Actions. The parties agree to execute such further documents, and take such further actions, as may reasonably be required to carry out the provisions of this Agreement.

(h) Validity of Provisions. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provisions of this Agreement but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein and the same shall be enforceable to the fullest extent permitted by law.

(i) Counterparts. This Agreement may be executed in one or more counterparts and shall become effective when one or more counterparts have been signed by all of the parties; each counterpart shall be deemed an original but all counterparts shall constitute a single instrument.

(j) Business Days. In the event any date described in this Agreement relative to the performance of actions hereunder by City, Developer and/or Escrow Agent falls on a Saturday, Sunday or legal holiday, such date shall be deemed postponed until the next business day thereafter.

(k) Macbride Principles – Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Seller and Escrow Agent each acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

(l) Non Discrimination In City And County Of San Francisco Contracts. In the performance of this Agreement, Developer and Escrow Agent each covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, height, weight or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or

applicant for employment with Developer or Escrow Agent, respectively, in any of such party's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by such party. If applicable, Developer and Escrow Agent each shall include in any subcontract with an environmental consultant relating to this Agreement a non-discrimination clause applicable to such subcontractor in substantially the form of subsection (a) above.

(m) Tropical Hardwoods And Virgin Redwoods. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood wood product.

(n) Conflicts Of Interests. Developer and Escrow Agent each states that it is familiar with the provisions of Section 15.103 and C8.105 of the San Francisco Charter and certifies that it knows of no facts which would constitute a violation of such provisions. Developer and Escrow Agent each further certifies that it has made a complete disclosure to the City of all facts bearing on any possible interests, direct or indirect, which Developer or Escrow Agent, respectively, believes any officer or employee of the City presently has or will have in this Agreement or in the performance thereof.

(o) Taxpayer Notification of Limitations on Contributions. San Francisco Campaign and Governmental Conduct Code (the "Conduct Code") Section 3.700 et. seq., and San Francisco Ethics Commission Regulations 3.710(a)-1 – 3.730-1, prohibit the public officials who approved this Agreement from receiving 1) gifts, honoraria, emoluments or pecuniary benefits of a value in excess of \$50; 2) any employment for compensation; or 3) any campaign contributions for any elective office for a period of up to six years from individuals and entities who are "public benefit recipients" of the Agreement. Public benefit recipients of the Agreement are: 1) the individual, corporation, firm, partnership, association, or other person or entity that is a party to the Agreement; 2) an individual or entity that has a direct 10% equity, or direct 10% participation, or direct 10% revenue interest in that party at the time the public benefit is awarded; or 3) an individual who is a trustee, director, partner or officer of the contracting party at the time the public benefit is awarded. Developer and Escrow Agent each understands that any public official who approved this Agreement may not accept campaign contributions, gifts, or future employment from Developer or Escrow Agent except as provided under the Conduct Code. Developer and Escrow Agent each agrees to notify any other individuals or entities that may be deemed "public benefit recipients" under the Conduct Code because of this Agreement. Upon request, Developer and Escrow Agent each agrees to furnish, before this Agreement is entered into, such information as any public official approving this Agreement may require in order to ensure such official's compliance with the Conduct Code. Upon request, the City agrees to provide, before this Agreement is entered into, Developer and Escrow Agent with a list of public officials who, under the Conduct Code, approved this Agreement. Failure of any public official who approved this Agreement to abide by the Conduct Code shall not constitute a breach by either the City, Escrow Agent or Developer of this Agreement. Notwithstanding anything to the contrary in this Agreement, no party hereto shall have the right to terminate the Agreement due to any failure by the other party to provide the information described in this paragraph.

(p) General Provisions. (1) Except as expressly provided to the contrary, all approvals, consents and determinations to be made by City hereunder may be made in the reasonable discretion of City. (2) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. (3) Time is of the essence in all matters relating to this Agreement. (4) If Developer or Escrow Agent, respectively, consists of more than one person then the obligations of each such person shall be joint and several. (5) Developer or Escrow Agent may not record this Agreement or any memorandum hereof.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

DEVELOPER:

a _____

By: Junius Bryant Mission SPV JV LLC
a Delaware limited liability company
Its Managing Member

By: _____
Alex Mitzner, Authorized Signatory

By: Super Deluxe With Cheese LLC
a California limited liability company
Member

By: _____
Nick Podell, President

CITY:

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: _____
Michelle Sexton
Deputy City Attorney

TITLE COMPANY

FIRST AMERICAN TITLE COMPANY

Date: _____

By: _____

Its: _____

Exhibit A

Lot Line Adjustment Drawing

S-9299
12-22-16

NEW PARCEL DESCRIPTIONS

PARCEL A: APN 4022-_____ (FORMER APNS 4022-001, 4022-002, AND A PORTION OF 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE) WITH THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF 18TH STREET 200.00 FEET TO THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID WESTERLY LINE OF BRYANT STREET 230.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO SAID EASTERLY LINE OF FLORIDA STREET; THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 230.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.

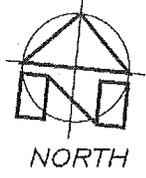
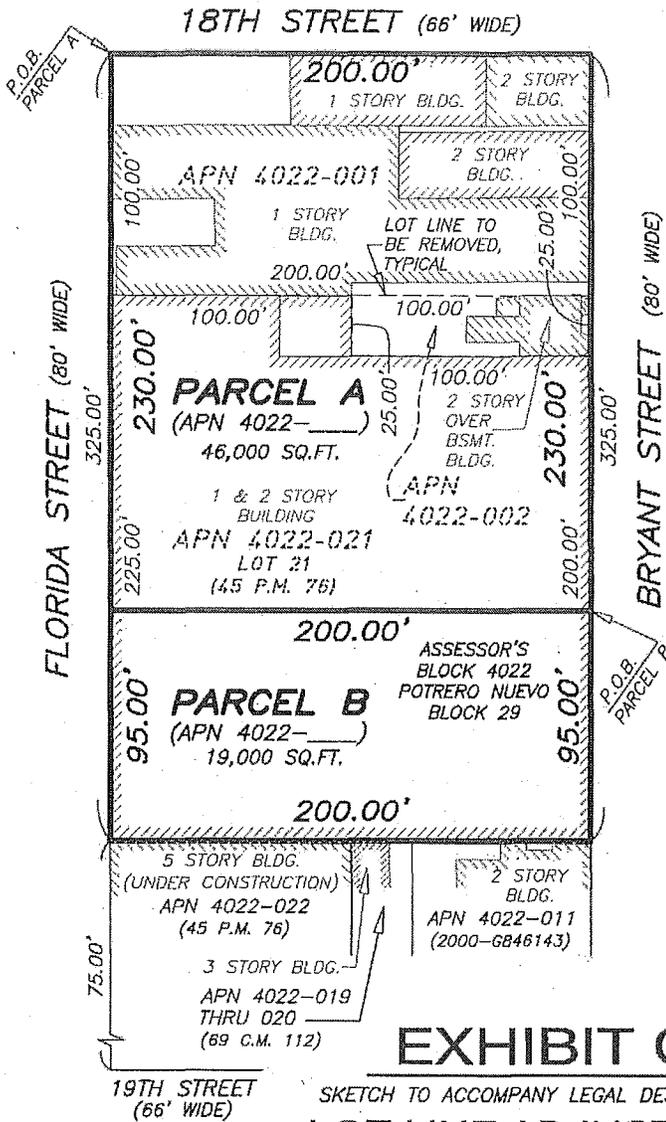
PARCEL B: APN 4022-_____ (FORMER PORTION OF APN 4022-021)

ALL THAT REAL PROPERTY SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF BRYANT STREET (80.00 FEET WIDE), DISTANT THEREON 230.00 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF 18TH STREET (66.00 FEET WIDE); THENCE SOUTHERLY ALONG SAID LINE OF BRYANT STREET 95.00 FEET; THENCE AT A RIGHT ANGLE WESTERLY 200.00 FEET TO THE EASTERLY LINE OF FLORIDA STREET (80.00 FEET WIDE); THENCE AT A RIGHT ANGLE NORTHERLY, ALONG SAID EASTERLY LINE OF FLORIDA STREET, 95.00 FEET; THENCE AT A RIGHT ANGLE EASTERLY 200.00 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF POTRERO NUEVO BLOCK NUMBER 29.





- LEGEND**
- C.M. CONDOMINIUM MAPS
 - P.M. PARCEL MAPS
 - APN ASSESSOR'S PARCEL NO.
 - P.O.B. POINT OF BEGINNING
 - BLDG. BUILDING
 - BSMT. BASEMENT

- GENERAL NOTES**
1. ALL PROPERTY LINE ANGLES ARE 90 DEGREES UNLESS NOTED OTHERWISE.
 2. DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

NOTE
ALL ON-SITE BUILDINGS TO BE DEMOLISHED

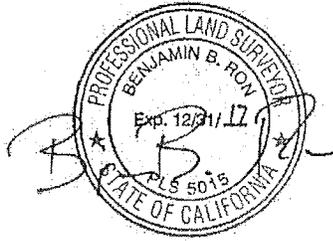


EXHIBIT C

SKETCH TO ACCOMPANY LEGAL DESCRIPTIONS

LOT LINE ADJUSTMENT

BEING A LOT LINE ADJUSTMENT OF THAT REAL PROPERTY DESCRIBED IN THAT CERTAIN GRANT DEED RECORDED SEPTEMBER 3, 2014 IN DOCUMENT NO. 2014-J946006, OFFICIAL RECORDS AND LOT 21 OF THAT CERTAIN PARCEL MAP RECORDED APRIL 18, 2002 IN BOOK 45 OF PARCEL MAPS, PAGE 76, SAN FRANCISCO COUNTY RECORDS BEING A PORTION OF POTRERO NUEVO BLOCK NO. 29 CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

BY JP CHKD. BR DATE 12-22-16 SCALE 1"=60' SHEET 1 OF 1 JOB NO. S-9299

MARTIN M. RON ASSOCIATES, INC.
LAND SURVEYORS

859 HARRISON STREET
SAN FRANCISCO, CA. 94107
(415) 543-4500
S-8316_S-9299LLA LOTS 1_2_21.dwg

1 [Approving Conditional Use Authorization - 2000-2070 Bryant Street Project]

2
3 **Motion approving the decision of the Planning Commission by its Motion No. 19657,**
4 **approving a Conditional Use Authorization identified as Planning Case**
5 **No. 2013.0677CUA for a proposed project located at 2000-2070 Bryant Street, and**
6 **adopting findings pursuant to Planning Code, Section 101.1.**

7
8 MOVED, That the Planning Commission's approval on June 2, 2016, of a Conditional
9 Use Authorization identified as Planning Case No. 2013.0677CUA, by its Motion No. 19657,
10 to permit the removal of three residential units for new construction of a six-story, 68-foot tall,
11 mixed-use building of approximately 203,656 square feet with 199 dwelling units, ground floor
12 retail/trade shop spaces, 12,000 square feet of ground floor Production, Distribution, and
13 Repair space, one car-share parking space, 84 off-street parking spaces, 128 Class 1 bicycle
14 parking spaces, and 18 Class 2 bicycle parking spaces, for a proposed project located at:

15 2000-2070 Bryant Street, Assessor's Parcel Block No. 4022, Lot Nos. 001 and 002
16 is hereby approved; and, be it

17 FURTHER MOVED, That the Board of Supervisors incorporates by reference the
18 Planning Commission's findings of compliance with the General Plan, and Planning Code,
19 Section 101.1, and adopts those findings as its own.



City and County of San Francisco

Tails

Motion: M16-120

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

File Number: 160778

Date Passed: September 13, 2016

Motion approving the decision of the Planning Commission by its Motion No. 19657, approving a Conditional Use Authorization identified as Planning Case No. 2013.0677CUA for a proposed project located at 2000-2070 Bryant Street, and adopting findings pursuant to Planning Code, Section 101.1.

August 02, 2016 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

September 13, 2016 Board of Supervisors - APPROVED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 160778

I hereby certify that the foregoing Motion was APPROVED on 9/13/2016 by the Board of Supervisors of the City and County of San Francisco.

A handwritten signature in black ink, appearing to read "Angela Calvillo", written over a horizontal line.

Angela Calvillo
Clerk of the Board

1 [Affirming the Community Plan Exemption Determination - Proposed Project at 2000-2070
2 Bryant Street]

3 **Motion affirming the determination by the Planning Department that a proposed project**
4 **at 2000-2070 Bryant Street is exempt from further environmental review under a**
5 **Community Plan Exemption.**

6
7 WHEREAS, On May 11, 2016, the Planning Department issued a Community Plan
8 Exemption under the Eastern Neighborhoods Rezoning and Area Plan Final Environmental
9 Impact Report (FEIR), finding that the proposed project located at 2000-2070 Bryant Street
10 ("Project"): is consistent with the development density established by the zoning, community
11 plan, and general plan policies in the Eastern Neighborhoods Rezoning and Area Plan project
12 area, for which the FEIR was certified; would not result in new significant environmental
13 effects, or effects of greater severity than were already analyzed and disclosed in the FEIR;
14 and is therefore exempt from further environmental review under the California Environmental
15 Quality Act (CEQA), Public Resources Code Section 21000 *et seq.*, the CEQA Guidelines,
16 and San Francisco Administrative Code Chapter 31, in accordance with CEQA Section
17 21083.3 and CEQA Guidelines Section 15183; and

18 WHEREAS, The proposed project involves the removal of three residential units for
19 new construction of a six-story, 68-foot tall, mixed-use building of approximately 203,656
20 square feet with 199 dwelling units, ground floor retail/trade shop spaces, 12,000 square feet
21 of ground floor Production, Distribution, and Repair space, one car-share parking space, 84
22 off-street parking spaces, 128 Class 1 bicycle parking spaces, and 18 Class 2 bicycle parking
23 spaces; and

1 WHEREAS, By letter to the Clerk of the Board, received by the Clerk's Office on July 5,
2 2016, Rachel Mansfield-Howlett, on behalf of resident Peter Papadopoulos (Appellant)
3 appealed the exemption determination; and

4 WHEREAS, The Appellant provided a copy of the Planning Commission's Motion
5 No. 19658, adopted on June 2, 2016, approving a large project authorization under Planning
6 Code Section 329, with the Planning Department's Certificate of Determination Exemption
7 from Environmental Review attached, finding that the proposed project was within the scope
8 of the FEIR and exempt from further environmental review under CEQA Section 21083.3 and
9 CEQA Guidelines Section 15183; and

10 WHEREAS, The Planning Department's Environmental Review Officer, by
11 memorandum to the Clerk of the Board dated July 8, 2016, determined that the appeal had
12 been timely filed; and

13 WHEREAS, On September 13, 2016, this Board held a duly noticed public hearing to
14 consider the appeal of the exemption determination filed by Appellant and, following the public
15 hearing, affirmed the exemption determination; and

16 WHEREAS, In reviewing the appeal of the exemption determination, this Board
17 reviewed and considered the exemption determination, the appeal letter, the responses to the
18 appeal documents that the Planning Department prepared, the other written records before
19 the Board of Supervisors and all of the public testimony made in support of and opposed to
20 the exemption determination appeal; and

21 WHEREAS, Following the conclusion of the public hearing, the Board of Supervisors
22 affirmed the exemption determination for the project based on the written record before the
23 Board of Supervisors as well as all of the testimony at the public hearing in support of and
24 opposed to the appeal; and

1 WHEREAS, The written record and oral testimony in support of and opposed to the
2 appeal and deliberation of the oral and written testimony at the public hearing before the
3 Board of Supervisors by all parties and the public in support of and opposed to the appeal of
4 the exemption determination is in the Clerk of the Board of Supervisors File No. 160773 and is
5 incorporated in this motion as though set forth in its entirety; now, therefore, be it

6 MOVED, That the Board of Supervisors of the City and County of San Francisco
7 hereby adopts as its own and incorporates by reference in this motion, as though fully set
8 forth, the exemption determination; and, be it

9 FURTHER MOVED, That the Board of Supervisors finds that based on the whole
10 record before it there are no substantial project changes, no substantial changes in project
11 circumstances, and no new information of substantial importance that would change the
12 conclusions set forth in the exemption determination by the Planning Department that the
13 proposed project is exempt from environmental review; and, be it

14 FURTHER MOVED, That after carefully considering the appeal of the exemption
15 determination, including the written information submitted to the Board of Supervisors and the
16 public testimony presented to the Board of Supervisors at the hearing on the exemption
17 determination, this Board concludes that the project is consistent with the development
18 density established by the zoning, community plan, and general plan policies in the Eastern
19 Neighborhoods Rezoning and Area Plan project area, for which the FEIR was certified; would
20 not result in new significant environmental effects, or effects of greater severity than were
21 already analyzed and disclosed in the FEIR; and is therefore exempt from further
22 environmental review in accordance with CEQA Section 21083.3 and CEQA Guidelines
23 Section 15183.

24
25 n:\landuse\mbyrne\bos ceqa appeals\2000-2070 bryant cpe aff.docx



City and County of San Francisco
Tails

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

Motion: M16-119

File Number: 160774

Date Passed: September 13, 2016

Motion affirming the determination by the Planning Department that a proposed project at 2000-2070 Bryant Street is exempt from further environmental review under a Community Plan Exemption.

August 02, 2016 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

September 13, 2016 Board of Supervisors - APPROVED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 160774

I hereby certify that the foregoing Motion was APPROVED on 9/13/2016 by the Board of Supervisors of the City and County of San Francisco.

A handwritten signature in black ink, appearing to read "Angela Calvillo", written over a horizontal line.

Angela Calvillo
Clerk of the Board

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

May 23, 2017

File No. 170602

Lisa Gibson
Acting Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On May 16, 2017, Mayor Lee introduced the following proposed legislation:

File No. 170602

Resolution approving and authorizing an agreement for the conveyance of a parcel of real estate located at 2070 Bryant Street, consisting of approximately 19,000 square feet of land within Assessor's Parcel Block No. 4022 in San Francisco County, to the Mayor's Office of Housing and Community Development, pursuant to the land dedication process permitted under Planning Code, Section 419; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the General Plan, and eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution, as defined herein.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Jeanie Poling, Environmental Planning

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Olson Lee, Director, Mayor's Office of Housing and Community Development

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: May 23, 2017

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Mayor Lee on May 16, 2017:

File No. 170602

Resolution approving and authorizing an agreement for the conveyance of a parcel of real estate located at 2070 Bryant Street, consisting of approximately 19,000 square feet of land within Assessor's Parcel Block No. 4022 in San Francisco County, to the Mayor's Office of Housing and Community Development, pursuant to the land dedication process permitted under Planning Code, Section 419; adopting findings under the California Environmental Quality Act; adopting findings that the conveyance is consistent with the General Plan, and eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution, as defined herein.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

c: Eugene Flannery, Mayor's Office of Housing and Community Development
Kate Hartley, Mayor's Office of Housing and Community Development
Amy Chan, Mayor's Office of Housing and Community Development

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee 
RE: Real Property Conveyance – Land Dedication by Bryant Street Holdings LLC- 2070 Bryant Street – Inclusionary Affordable Housing
DATE: May 16, 2017

Attached for introduction to the Board of Supervisors is a Resolution: 1) approving and authorizing an agreement for the conveyance of a parcel of real estate, consisting of approximately 19,000 square feet of land within Block No. 4022 in San Francisco County to the Mayor's Office of Housing and Community Development pursuant to the land dedication process permitted under Planning Code Section 419; 2) adopting findings under the California Environmental Quality Act; 3) adopting findings that the conveyance is consistent with the City's General Plan and Eight Priority Policies of City Planning Code, Section 101.1; and 4) authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution.

Please note that this legislation is co-sponsored by Supervisor Ronen.

I respectfully request this item be heard in Land Use Committee on June 5, 2017.

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2017 MAY 16 PM 4:48


BY _____